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IMMOBILE Democracy?

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Immobile Democracy?

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Preface to the Issue "Immobile Democracy?"

Most issues of *Dædalus* bear titles that require little explanation; "truth in packaging" has never been a serious problem for the Journal of the American Academy of Arts and Sciences. Occasionally, however, a subject comes to the fore that resists every effort to provide a meaningful and easily-understood enveloping theme, defining precisely the content of the issue. This is the situation with the current number, "Immobile Democracy?". Lest some be confused by it, imagining it to be one more plea for the United States to address its urgent domestic agenda, leaving aside for the moment the heavy foreign policy burdens the country is purported to have carried for at least half a century, this is not its purpose at all.

No "game plan" is outlined here; no policy is offered for a hundred days or a hundred weeks, tailored specifically for the individual elected in November to serve as President of the United States. There is no suggestion that he and his aides give attention first to the country's domestic ills, recognizing that foreign policy issues, with the ending of the Cold War and the dissolution of the Soviet Union, are finally secondary, that in any case they depend on the country's domestic house being set in order first. A very different and more

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important theme dominates this issue. Briefly stated, it is that all the democracies today, burdened by memories of the past, unwilling for political reasons to confront the divisive realities of the present, find it difficult to project themselves into the future. Individually and collectively "idling," they give the appearance of trapped vehicles on a crowded motorway. When they start up again, as they inevitably must, it is not obvious in what directions they will move.

It is scarcely surprising that this is so. This has not been a happy season for prophets or prophecy. Almost no one predicted with any accuracy the events of 1989; few have been able to anticipate or prepare for world developments since. The euphoria of 1989 is extinguished; 1992 has not turned out to be the year that ardent advocates of the European Community and any number of others expected it to be. Very special Gulf War conditions made a number of prominent Democrats reluctant to risk themselves in a presidential election against someone deemed invincible, whose vulnerabilities surfaced too late for those who had already bowed out, pleading their heavy family obligations. When Gorbachev left the Kremlin and Yeltsin took his place, heading a republic essentially unlike the one Lenin and his successors presided over, almost no one in Europe or the United States had any idea of how to assist the nascent democracy. Preoccupied with what they knew to be their own serious domestic problems, they failed to see how, in a time of economic recession, they could do very much. Rhetoric, always a cheap commodity, became the universal political currency; it substituted for policy in every one of the major democracies.

The post-World War II era has now receded into history, and it is increasingly difficult to know what to make of it all. In Central and Eastern Europe, in the more prosperous European Community, in Japan and the United States, and scarcely less conspicuously, in Asia and Africa, the familiar landmarks of Cold War rivalry have largely disappeared. In their place is a new consciousness of events long forgotten (or suppressed), rendered more bewildering by the fact that for political leaders who have remained stationary on what is for them familiar turf, there is massive confusion, only barely concealed by their insistence that the future, as projected decades earlier, is about to be realized. The almost universal incapacity to invent, let alone imagine, a democratic future institutionally and culturally different from the one created decades ago after a massively destruc-

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tive war, may be the most conspicuous feature of the political landscape today. The world of Yalta is buried; fears of a nuclear war are abated, and there would appear to be reason for confidence and hope. Both are in fact in short supply. Why? Because there is a painful, often unstated understanding that the conditions that make for stability, internally and internationally, are absent.

The phrase, "Immobile Democracy?," with its all-important question mark, is intended to ask whether conditions today in the United States and elsewhere do not impede a rethinking of yesterday's orthodoxies, discouraging the consideration of alternatives, known to be sensitive, and therefore, by definition, politically dangerous. The possibility of grave implosions, and not only in places distant from the so-called centers of civilized life, ought in theory to inspire thought and action. In fact, they do not. Still, it is clear that we live in a new age, not because the Soviet Union has ceased to exist, or that surviving Communist regimes appear significantly less threatening, but because the old political litanies, even when used, are no longer believed. The shop-worn Manichean good and evil oppositions of the Cold War era, in their new political formulations, express nothing so much as social grievance and resentment, intellectual fatigue, cultural fear.

This issue of *Dædalus,* in its analysis of conditions in the United States, Japan, and Europe, purportedly the subject of daily mass media attention, has as its common theme the exploration of the beliefs, habits, and practices—mythologies might be a better term—characteristic of today's disparate democracies. This world, neither as self-confident nor as uniform as some imagine, and not nearly as secure as politicians pretend, waits to be released from an antiquated rhetoric. If "Immobile Democracy?" has a single message, it is that new thinking is the political imperative of our time, in the United States certainly, but also in the states of the European Community and Japan.

The three essays on Japan speak of a country fundamentally different from the one generally represented by the world's mass media. The two that deal explicitly with American-Japanese relations since World War II, while disagreeing about the import of certain recent developments, estimate impending changes in ways certain to create consternation among those who imagine that the political misunderstandings of these last years are largely accidental, the

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consequence of ineptness at the highest levels. Another possibility exists—that America's failure to comprehend Japanese interests and sensibilities is reciprocated by an equal incomprehension of the United States in Tokyo. In exploring the significance of specific incidents scarcely noted by the majority in the West who neither read nor speak Japanese, and are scarcely aware of such mundane things as pride, let alone prejudice, there is an implicit warning against the facile reporting of those with scant knowledge of Japanese history who imagine that World War II was the watershed event that changed everything.

While Japan is in no sense mysterious, widespread ignorance abroad about its complex political and intellectual life is scarcely compensated for by what is presumed to be a deep understanding of the nature of its economy. Its social life—the relations between men and women, for example, not to speak of the nature of its class system—is given new meaning in a discussion of the realities of work and family, which does much to contradict any number of the classic Western myths about the country, its mores and values. In an earlier post-World War II period, when Japan accepted the role of "subordinate actor," innocence abroad carried no risks and few penalties; today, the situation is different.

So, also, with Europe. If language is a major barrier to an in-depth understanding of Japan for Americans and Europeans interested in this most modern and successful of the post-World War II democratic societies, comparable linguistic handicaps do not exist for those divided only by the Atlantic. Still, the *Dædalus* essays on Europe, West and East, and European-American relations tell a tale too little reflected on in the United States where it is imagined that America's European alliances are marvelously intact, that NATO exists, that *tout va bien*. Evidences of substantially greater West European independence of the United States seem scarcely disconcerting to any of the parties, emerging only now from years of close (and perhaps forced) collaboration. Across the Atlantic, where a growing self-preoccupation with the whole of Europe is celebrated—a Europe that extends from the Atlantic to the Urals—nostalgia for the world lost in 1914 competes with expectations of great new cultural and economic activity spawned by the extinction of the last of the artificial Cold War barriers.

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With the revival of memories of past European unity, where the United States figured only incidentally, if at all, there is the promise of greater independence of the kinds of domination suffered as a consequence of World War II. There is, however, the possibility also of unpleasant discovery. Memories of events of the Nazi period, for example, are alive today in a way they were not a decade ago, in Germany, Austria, Hungary, Czechoslovakia, the Baltic States, but also in Russia and France. Some may soon yearn for the simple myths of the Cold War era when de Gaulle told the French they had all resisted, except for a very few, of course, and when many Germans wished to imagine themselves incarnate in an old man named Adenauer. Today, when the history of the century is being revised, the flattering mythologies invented decades ago are at risk, and not only in Central and Eastern Europe. While Americans may wish to see themselves as the sacrificing "saviors" of a reckless and divided European family of nations, Europeans choose to dwell on other aspects of the relationship. The Atlantic, rendered a narrow channel by modern communications, trade, and travel, is made an ocean again by intellectual and cultural preoccupations that emphasize the different experiences of the New World and the Old.

In their persistent questioning of the qualities of the United States, increasingly common both in Japan and Western Europe, the disdain is not only for a stagnating American economy, with its major productivity problems, greatly exacerbated by unprecedented federal budgetary deficits and balance of payments difficulties, but for an educational system, vocationally ineffective, contaminated by sloth and violence, characteristic features of daily life in America's inner cities. As American and European Sovietologists once learned about the Soviet Union (particularly after the arrival of Gorbachev) from printed sources, readily available, so Europeans and Japanese learn their American lessons from reading what the press says about this once incomparable twentieth-century economic giant, more graphically rendered on tens of millions of television screens. At the moment, considering the weakness of the dollar, which makes a visit to the United States almost obligatory—the tourist bargain of the century—it is a good deal more than Disneyland that foreigners, Japanese and European, see and experience.

The story communicated by visitors, however unflattering, leads few to believe that the American "crisis" heralds and perhaps reflects

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a larger world crisis, in the political and social as much as in the economic sphere. The possibility of an American "withdrawal" from Europe no longer frightens in the way it once did. More importantly, the weakness of the American economy and the disordered nature of its society are not believed to create substantial threats to others, though all agree that their own economies are greatly affected by what occurs in the United States. It is a comment on the confidence that West Europeans feel, despite the evidences of political and social turmoil at home that they acknowledge, that it is the European Community and its future that preoccupies them, and not the future of either the United States or the former Soviet Union, which they cannot in any case effect. Both, it is imagined, will in one way or other pull through; neither, indeed, is thought to be in such dire straits as to threaten Europe's long-term stability. This, a dubious compliment at best, is the principal tribute paid the once mighty superpowers; few feel great interest in seeing either much involved on the European stage, certainly not in the manner of yesterday.

A great deal has clearly changed in recent years, but discretion requires that not all that is observed should be blurted out, certainly not by leading politicians. Every effort is made to suggest that a certain "normalcy" prevails, that relations remain roughly as they were. Only minor alterations need to be considered. This, as much the common attitude in Japan as in Europe, and for other reasons in the United States, makes for immobilism and nostalgia, and not only among those who have political reasons to be silent. When, for example, a group of informed Americans recently surveyed foreign policy options for the rest of the century, they insisted that "the United States is the world's leading military power," and that "we must keep it that way." One might have expected someone to ask whether that leadership was in fact being challenged, whether any other nation was seriously competing for the honor of being the first of the world's military powers. The question was never posed; the statement provoked neither offense nor interest.

Still, had the same group made a revolutionary declaration, saying, in effect, "The United States is today's leading scientific and intellectual power, and we must keep it that way," a message of very different dimensions, with quite different implications for the world, would have been communicated. Such objectives do not, however, figure in the United States today; intellectual and scientific prowess,

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except for their possible significance in raising productivity, making the nation more competitive, is not much thought of. A good deal of the rhetoric of those who pose as foreign policy experts, and not only or principally in the United States, is comparably old-fashioned. Courage is thought to reside in the insistence that the world's ecological problems are grave, that the population explosion is hazardous. These self-evident truths, which deserve to be trumpeted only because they point to items that need to figure on any reasonable international agenda, do little to resolve the major social and political problems that beset even the most prosperous of contemporary democratic societies, that make them vulnerable to the parochial, antiquated, and self-indulgent arguments of those who have little time for high-sounding principles.

Because the United States is faced with a vast array of internal problems, there is great temptation to attempt to offer solutions for all. No such grandiose ambition mars this issue of *Dædalus*. Quite deliberately, authors have been selected to concentrate on three crucial matters; first, the education and care of children, perhaps the most unrepresented and unprotected group in American society. If their plight calls out for study and attention, it is not only because the impoverished and broken families of the country are troubled, or that the schools are manifestly incapable of providing instruction adequate to children's needs, but that public policy on social issues is confused and rhetorical, even when it pretends to be neither. The American health care system, the second of the domestic issues treated, is universally thought to be unjust, inefficient, and incomparably expensive, one that no other nation would think to imitate, not even those that are very rich, in theory able to afford anything. That system, with its gross inequities, calls for drastic reform, which can only follow on the public's consideration of real alternatives, debated in political forums where highly ideological argument is likely. Finally, as counterpoint to issues that affect the daily lives of many tens of millions, consideration is given the conditions of support and patronage—if so old-fashioned a term may be used—that created a major scientific competence in the United States in this century, a competence today at risk.

No one would argue that these are the only domestic issues that merit close attention. Still, they provide an excellent opportunity to dwell on the United States as the quintessential rich/poor society,

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reflecting much in the contemporary world unique to itself, a great deal that is common to others. In the choice of these themes, there is ample occasion to show why new thinking is the essential prerequisite to any kind of meaningful action. Until we understand better the complex democratic experiment in universal education being attempted, and are substantially more critical of conventional nostrums and remedies, even those widely applauded, there will be no adequate understanding of the ways in which school systems reflect the social and political order, with all their characteristic values and mythologies. Until we know why American medicine is of "world-class" standard—the phrase is ugly and pretentious—while its health care system shows signs of being designed principally to give profit to a few, providing insufficient care for tens of millions, we cannot begin to appreciate why so many from abroad are shocked by what they see and learn. Until we recognize the unique set of social and political circumstances that led the United States to become scientifically and intellectually advanced—a "model" to the world—it is impossible to understand the hazards that exist to that preeminence, and why it matters, and not only to the United States.

Some worry that the country will lapse soon into something like its former isolationism. Conditions of international trade and manufacture make that prospect extremely unlikely. Another danger, however, is present, as much for the United States as for others—intellectual provincialism—the pride that leads politicians and others to misperceive and misrepresent a nation's qualities, that leads them to trim and prevaricate, underestimating the complexity of social problems, both at home and abroad. The proposition that foreign and domestic policies are separable, that it is possible to be competent in one and fail with the other, ought to have been discredited years ago. The history of the Soviet "experiment" is one long and very telling refutation of that myth. Yet, so long as military policy, trade relations, concern with the environment, health, and education are not grounded in some perception of the vulnerability of modern democratic regimes, even those that look superficially stable, there will be no appreciation of the hazards created by internal social unrest and grievance, reflected in the exaggerated rhetoric of those who know how to shape a debate so as to silence opposition.

Social issues, which do not derive simply from economic inequality, are potentially more serious than those that arise from short-term

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economic dislocations, the kind the mass media generally choose to emphasize. A societal crisis that pits race against race, ethnic group against ethnic group, and rich against poor, is a reversion to a nineteenth-century order of things that West Europeans imagined they had permanently overcome. If many abroad imagine that the social distress of the United States is created principally by an American unwillingness to assume certain social welfare obligations, recognized today to be the distinctive hallmark of societies that equate civilization with well-being, they vastly underestimate the complexity of modern industrial life, and of contemporary opinion in the world's democracies, including their own. The end of the Cold War has uncovered secrets, and not only in Moscow and Berlin; in Paris and Bonn, Brussels and Tokyo, Washington and London, Moscow and Prague, the twentieth-century democratic "experiment" requires rethinking.

If the United States has been unable to resolve its race question—the most serious by far that confronts the nation—Europe today faces social issues that inspire almost equal unease. The widespread contempt for immigrants and aliens—African, Asian, and European, of nationalities and religions thought to be inferior—is no longer a local issue specific to a few communities or nations. Great numbers of unwanted men and women, considered by many a hazard to public order and safety, economic well-being, and traditional concepts of cultural and national identity, are feared and resented. Their plight provokes only passing sympathy. Poverty, an insidious force in the contemporary world, with far greater explosive potential than has been generally admitted, shows a face and takes forms that generate new kinds of hostility. Belief in racial and ethnic difference, magnified by zealots with their own political agendas, creates xenophobia even in those democratic societies once thought to be immune from that particular political virus.

The world's democracies are more vulnerable to doubt today than they were a few decades ago, and it is not only in the "new" democracies of Eastern and Central Europe that this is so. A "social contract" that once promised benefits to all, old and young, is now believed to exceed the financial capabilities of states expertly managed by professional bureaucrats, generally thought capable and honest, but scarcely compensating for the perceived inadequacies of a political class and party system deemed archaic and corrupt. The

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elected leaders are commonly thought to be insufficient to the times. In any number of places, in Europe and Asia, but also in the New World, there is a sense of one scenario having played itself out, but there is considerable confusion about the one that waits to be played. Indeed, there is some doubt about who the players will be, and what scripts they will bring with them. Given what the world has experienced in these last decades, it is not unreasonable to ask where they will have learned their parts.

This issue of *Dædalus* might have carried the title "Anticipations," since it presages two others that will be published in the coming year. I wish to thank the Smith Richardson Foundation for their generous support, which will be more formally recognized in the next issue entitled: "America's Children: Age 3 to 11." I wish also to recognize the important help given by the Ford Foundation and the Robert Bosch Stiftung for an issue, now scheduled for 1993, that will examine the New Europe, not only the one created by the revolutions of 1989, but the greater one spawned by two terrible wars whose consequences are very much with us today.

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Chalmers Johnson

Japan in Search of a "Normal" Role

All the world's a stage,
And all the men and women merely players.
They have their exits and their entrances,
And one man in his time plays many parts.
—As You Like It, II: vii: 139

Out, out brief candle!
Life's but a walking shadow, a poor player,
That struts and frets his hour upon the stage
And then is heard no more. It is a tale
Told by an idiot, full of sound and fury,
Signifying nothing.
—Macbeth, V: vi: 23

INTERNATIONAL RELATIONS WRITERS, LIKE DRAMATISTS, often resort to the theatrical metaphor when they are trying to evoke ineluctable forces or excuse a leader or a nation from the consequences of their actions. Japan is a prime example. It seems impossible to talk about Japan without help from the concepts of role, actor, stage, and scenario. Noriatsu Matsui entitles a recent essay, "New Roles for Japan in the Global Political Economy." Hideo Sato writes about "the emerging role of Japan in the world economy." Masaru Tamamoto settles simply for "Japan's uncertain role." Brian Bridges adds a time dimension in "Japan: still searching for a role." Doi and Willenson note, "As Japan gropes for a more

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active role, it is beginning to feel it ought to be more than just the rich cousin who signs the checks." If Japan fails to find a role, it risks becoming "odd man out on the world's stage, a post-Cold War bogeyman permanently hounded over trade by an increasingly protectionist United States and Europe." And never in doubt about his own role, former US Secretary of State James Baker comments, "We recognize that Japan's leaders and its people are now grappling with a difficult adjustment in Japan's world role. . . . Your 'checkbook diplomacy,' like our 'dollar diplomacy' of an earlier era, is clearly too narrow."[1]

The questions are obvious. Role in what? What is to be the new play? What was and what happened to Japan's old role? Is Japan the only nation that needs a new role? What does Tadae Takubo mean when, in a dialogue with the Liberal Democratic Party (LDP) strongman Ichiro Ozawa, the head of the ruling party's Special Committee on Japan's Role in International Society, he says, "In other words, you're saying let's become one of the normal countries"?[2]

These are not easy questions. Japan already has an important role, even if acknowledging it is embarrassing for many Americans. "Japan's superior economic performance," writes Tamamoto,

> has served as an example to be emulated by Asian governments. . . . Japan, despite all the talk to the contrary, has been acting as a political leader and has made a significant contribution to international well-being. . . . Japan has inspired Asia in a fundamental way, luring its neighbors by way of example to embrace the politics of economic growth.[3]

This role, however, is increasingly in conflict with Japan's other roles as a signatory to the Japan-United States Security Treaty and a member of the "Global Partnership" that President Bush and Prime Minister Miyazawa proclaimed in Tokyo in January 1992. What the new division of labor between the two global partners might be, whether the rest of Asia welcomes a Japanese-American condominium, or whether such an arrangement is in the US national interest are also quite open questions, particularly since the current global Japanese-American arrangement was the fruit of a presidential trip to Tokyo that Kenneth Galbraith has called "quite possibly the most disastrous journey since the Fourth Crusade."[4]

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Asia's economic achievements are embarrassing to the United States. The Americans did not cause them, did not anticipate them, still cannot fully explain them, and are politically and ideologically threatened by them. In part this reflects the fact that

> Virtually all U.S. decisionmakers are Atlanticists whose entire working lives have been devoted to NATO- and EC-oriented affairs, focusing on the Cold War threats from the Soviet Union. They have paid scant attention to the Asia-Pacific region, treating it as a corollary of U.S. global policy that can be readily adapted to policy changes in the European-Soviet region.[5]

The Japanese-American relationship and Japan's old and possible new roles in it are, of course, not exclusively economic. The Japan-United States Security Treaty of 1952, the wording of which was last substantially modified in 1960, took no cognizance at all of Japan as an economic competitor to the United States. It was based on the Cold War proposition that Japan had unimaginable strategic significance but no economic significance, which was arguably true in the global circumstances of the 1960s but has made no sense at all since at least the end of the Vietnam War in 1975. The Bush administration nonetheless continues to believe that "The U.S.-Japan security relationship will remain the vital linchpin of peace and security throughout Asia and the Pacific," and it takes credit for pressuring Japan to pay "72 percent of the non-salary costs [of] maintaining our 30,000 soldiers, sailors, and marines in their country."[6]

This view ignores the growing contradictions in American policy in Asia and the Pacific. In this preliminary discussion, which will be amplified below, let me mention only three of these contradictions. First is the obvious fact that the United States cannot afford its current foreign policy. Edward Olsen mentions some of the implications:

> Compounding this [Asian] sense of caution and guarded confidence that the U.S. will not make truly major revisions to its post-Cold War strategy as it applies to them, Asians tend to see the U.S. military action in the Persian Gulf War as a clear signal that Americans will not change their behavior. . . . The [American] eagerness to be the leader, even at a high cost, reassures Asians greatly. It also surprises them greatly because they also see the United States as a superpower with economic feet of clay. In short, Asians—even as they act as cheerleaders, and

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sometimes bankers for the American cause—wonder how long such disproportionate arrangements can last.[7]

The second contradiction concerns the role of the American forces in Japan. It has crossed the minds of some people that they are there not to contribute to peace and security elsewhere in Asia but to ensure that Japan itself does not destabilize the area. In 1990, Lt. Gen. Henry Stackpole, then the US Marine Corps commander in Okinawa, said that "U.S. troops [are] the 'cap in the bottle' of Japanese military power."[8] Former Prime Minister Nakasone agrees. He recently asserted that the Japan-United States Security Treaty both contributes to the stability of Asia and is also important in "preventing the resurgence of Japanese militarism."[9] China, too, for the past two decades has supported the Japanese-American military alliance as a restraint against the revival of Japanese militarism, which was also one of the original purposes of the treaty in 1952 that Americans have conveniently forgotten. The Japan-United States Security Treaty was the institutional corollary of ARTICLE 9, of Japan's disarmament, and the two have long been linked in Japanese thought as the *kyujo anpo taisei* (ARTICLE 9-Security Treaty structure).[10] In urging greater Japanese spending on defense, the Americans are tampering with the very foundations of the Japanese Constitution, a theme to which I shall return.

The third contradiction in current Japanese-American relations is that the Americans are asking Japan to pay almost three-quarters of the costs of keeping US forces there, but do not invite Japan to participate in a joint command, as in NATO. Koji Kakizawa, parliamentary vice-minister of foreign affairs and the ruling party's chief spokesman on these issues, said in a recent interview that "If the U.S. pays less than 50–50 we Japanese will become the majority shareholder" and went on to quote the American revolutionary slogan, "No taxation without representation." Commenting on the idea that American forces are actually there to contain Japan and that the Americans are thus asking Japan to pay for its own containment, Kakizawa replied that if it is true, "What do you think will happen inside the bottle? . . . The withdrawal of the U.S. will be inevitable."[11] For a Japanese audience, Kakizawa recently wrote, "When President George Bush visited Japan last January and collapsed at the dinner party sponsored by the Prime Minister's Office, it was Prime Minister

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Kiichi Miyazawa who helped the President to his feet. This scene seems to symbolize the current situation in Japan-U.S. relations."[12]

I believe that in order to conceive of a new role for Japan, one must first write the play in which Japan is to be cast. Its elements must include: the vacuum left by the end of the Cold War, the anachronisms in the old Japan-US relationship, the decline of America industrially and the failure of American leaders to mount an economic reform program, the degree to which Japan is tying the East Asian region together economically, the ambiguities in Japan's political system (what Yamaguchi has called "the blanks that were left in the constitution"), and the structural differences between Japanese capitalism and Anglo-American capitalism.[13] Before one can envision a new role for Japan, one needs a scenario.

There are several already on offer. Hideo Sato asserts that "This subject [Japan's future role] cannot be effectively dealt with in isolation from the future role of the United States" and says that the biggest problem with any "scenario" is America's "hegemonic mentality." He sees four dramatically different treatments: a *Pax Americana* restored, a *Pax Nipponica,* competing economic blocs, and a joint leadership system.[14]

Yoichi Funabashi warns that there are "many areas in which Japan and America could come into conflict." For example,

> A new Cold War could develop between champions of the American model of capitalism and those of the Japanese model, especially as the latter becomes well established among the Asian Newly Industrialized Countries (NICs) and the Association of Southeast Asian Nations (ASEAN), and as regional interdependencies increase.

In Funabashi's view, the new play will be built around five basic themes: *1)* status: "Japan is likely to overtake America economically by the turn of the century"; *2)* ideology, or one model of capitalism versus another; *3)* power, or what is to be the division of labor in the Global Partnership; *4)* regional influence, or whether Japan should try to create a new Greater East Asia Co-Prosperity Sphere to balance the single market in Europe and the North American Free Trade Area; and *5)* differences in American and Japanese relations with the former Soviet republics and China, including whether the G-7 democracies will support Japan's claims to the Northern Territories now that the Cold War is over, and whether a renewal of the

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democracy movement in China would swell Western sympathies and undercut Japan's appeasement of the current regime.[15]

Still a third scenario is contributed by David Rapkin, writing in *Leviathan,* the leading Japanese journal of political science. His play revolves around a Japan that identifies its national interests with those of the larger world system and devotes itself to policies that seek to build a more stable and prosperous global political economy. Rapkin identifies three obstacles to this outcome, which form the content of his scenario: Japan's serious "legitimacy deficit" stemming from the legacy of World War II, a mercantilist image, and widespread doubts that Japan has any universally attractive ideas to offer to the world.[16]

My own scenario has three acts, but first let me outline its conclusion. Over the next five to ten years Japan will reemerge on the world's stage as a significant political actor. It will shed the client status it has occupied under the Japan-United States Security Treaty and by the late 1990s it will become a fully fledged major power. A gradual US drawdown of its forces in the Pacific will allow Japanese leaders to build the necessary domestic support to expand Japan's independent defense capabilities along the lines that former prime minister Nakasone proposed in the mid-1980s.[17] A fast and substantial American withdrawal from Asia over the next five years will probably leave Japan unready domestically and regionally to make the transition and would undermine Japanese popular confidence in the value of an alliance with the United States. The idea that the Japanese political system is unable to provide the leadership for this transition is nonsense, but reform of the political system will be unavoidable. Regardless of what the Americans do, Japanese momentum in much of the LDP, the business community, the intelligentsia, journalism, and the bureaucracy is toward greater independence from the United States.

Getting to this conclusion will be difficult. The three acts of this play are actually three plays-within-a-play: Japan's business behavior and whether or not Japan can change it; Japan's contributions to its own defense and its skill in handling an America in decline; and Japan's perspective on and policies toward economic regionalism in other parts of the world and in East Asia. Depending on how each of these evolves, the overall drama will be a farce, a comedy, or a

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tragedy. I can only identify the contradictions on which the action will turn, not foresee their resolution.

I

Japan's status as an economic overachiever, which everyone today acknowledges, and how it got there lie at the heart of the Japanese-American estrangement. Until recently this subject was controversial—largely because of the hegemonic role of economic ideologues and their definition of Japan as an economic little brother of the English-speaking capitalist countries. During the early 1990s this changed. It began to be recognized both inside and outside Japan that, as Stephen Cohen wrote,

> Japan, not the United States, is the independent variable. . . . In the 1960s, U.S. political scientists learned from the emerging Sino-Soviet dispute that communism is not monolithic. In the 1990s, a third consecutive decade of U.S.-Japan trade frictions may finally convince the majority of U.S. economists that capitalism is not monolithic.[18]

The issue here is structural differences within capitalism or the theoretically corrosive thought that there are different kinds of capitalism. This is not a new subject in Japanese studies, but it has taken a long time for the American establishment, much of which cannot read Japanese and is without the capability to study Japan empirically, to catch up with data that have long been accepted by specialists. In 1983, for example, a senior official of the Ministry of International Trade and Industry (MITI), Koji Matsumoto, argued in great detail that Japanese corporations are not capitalist according to Western definitions of capitalism; or else, according to a new definition, which Matsumoto calls *kigyoism,* they are ultracapitalist.[19] According to Matsumoto, "A new economic system has developed and been nurtured in Japan inside a shell of capitalism."[20] Its key features are "de facto total separation of management from the wishes of the owners" and a shift of "the burden of corporate risk to the side of labor," thereby achieving "the autonomy of management."[21]

During the late 1980s foreigners who made these same or similar observations were stigmatized by the Japanese Ministry of Foreign Affairs as "revisionists."[22] This was because the ministry feared that

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accurate knowledge among foreigners about the structure of Japanese capitalism might lead to countermeasures against Japanese business activities, and it sought through propaganda and other dirty tricks to prevent this from happening. Revisionism refers to the

> view that Japan's economy and society are not organized around classical notions of free markets, in which the direction of the economy is determined by the independent actions of consumers and corporations all operating to maximize their profits and incomes. This challenges the conventional wisdom (hence 'revisionism') among American policymakers that Japan is fundamentally similar to the United States and other Western capitalist democracies.[23]

Those who hold that Japan is a junior-grade clone of the United States became known as either members of the chrysanthemum club or, in Pat Choate's phrase, "agents of influence."[24] They were actually influential, and thereby contributed to the worsening of Japanese-American relations, until prominent members of the Japanese economics community decided that reality could no longer be suppressed. Thus yesterday's revisionism about the Japanese economy has become today's common knowledge.

A well-known economist, Iwao Nakatani, now distinguishes Japan's "network capitalism" from the Anglo-American version and holds that it rests on two pillars: a cartelized *(keiretsuka)* economy that is conducive to so-called lean manufacturing, and interlocking shareholding that eliminates the influence of owners over corporate behavior.[25] Yukio Onuma, a manager of C. Itoh and Company, asserts that

> Japan is not a market economy in the Adam Smith mold. . . . Two features (among many) set it apart from western industrialized nations. The first is that income distribution is maintained within relatively narrow bands by a number of unwritten contracts and norms that are widely accepted by members of society. . . . Second, Japanese society has effectively "privatized" many of the social costs that, in other countries, are borne by governments.[26]

Professor Tadao Kagono, writing in the house organ of MITI, refers to "This special characteristic wherein Japanese businesses place greater emphasis on market share rather than profits, when compared with European and American—especially U.S.—businesses." This emphasis is caused, says Kagono, by "the pressure

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from guaranteed employment," "the lack of pressure for short-term earnings from the securities markets, especially shareholders," and other structural eccentricities (as viewed from the perspective of American economics textbooks) of industrial organization in Japan.[27]

Leaders of Japan's aid-giving community have become restive over the continued domination of the World Bank by American economic doctrine. Isao Kubota, managing director of the Overseas Economic Cooperation Fund, the main foreign aid lending arm of the Japanese government, said of the World Bank's economists, "It's really incredible. They think their economic framework is perfect. I think they're wrong." Japan favors giving governments a bigger role in developing their economies, on the postwar Japanese model, and dumping the laissez-faire approach championed by Washington.[28]

There are many other similar analyses with different lists of the significant structural differences.[29] The important point is that study of the Japanese economy has finally come out of the closet and adopted an empirical, inductive stance, as distinct from the formal, deductive abstractions of economic orthodoxy.

By far the most important confirmation of these structural differences came in an article in the February 1992 *Bungei shunju* by Akio Morita, chairman of Sony Corporation, vice-president of Keidanren, and coauthor of *The Japan that Can Say "No"*.[30] It had a sensational impact in Japan, suggesting that Morita is perceived there, no less than abroad, as an important bellwether.[31] In the wake of President Bush's visit to Tokyo in January 1992 accompanied by some twenty-one American chief executive officers of corporations, Morita wrote:

> We are approaching a point where continued competition by Japanese companies operating under a management philosophy alien to that of Europeans and Americans can no longer be tolerated. . . .These differences of management philosophy are responsible for . . . creating a pricing structure that is impossible for Western companies to beat.

It should be stressed that in this article Morita was writing in Japanese and, as is common in Japanese relations with non-Japanese-reading foreigners, he says something different in English. For example, in the *Harvard Business Review* of May-June 1992, instead of calling for reform of Japanese practices, he advocates Japanese aid

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to help an increasingly decrepit American capitalism. Even in that context, he does mention the need for real Japanese investment in the United States in order to rejuvenate American manufacturing and not the current Japanese transplants that provide "a thin veneer of local content to a product basically made in Japan."[32] In his Japanese article, Morita advocates major reforms of the Japanese corporate system in order to forestall defensive measures by foreign countries against Japan.

The question is: Will Japan change? Is it politically feasible for Japan to change, and what will the consequences of a change be? Let me begin with the case against change. Japan is today not just the international independent variable, the outlier, it is also the most successful form of capitalist industrial organization in existence. To ask Japan to conform to the American model, even if that model is closer to the global norm, means asking Japanese to save less, work fewer hours, demand larger profits, tolerate a more ineffective government, consume more, study less, and in other ways copy what in Japan will inevitably be seen as an unjustifiably arrogant Anglo-American stereotype. Takubo, for example, argues that "The Japan of today is being forced to brake its economic activities in various places throughout the world and is frantically spreading money in an attempt to avoid being hated by the world." He compares these pressures with the forced naval disarmament treaties of 1922 and 1930, when the Anglo-American powers dictated a smaller ratio of battleships for Japan than they assigned to themselves.[33] Thus, change will not go down easily in Japan, and not just because of economic vested interests in the old Security Treaty system.

Of course, if Japan does not change, as Morita has observed, it risks a real counterattack from the United States—one that may already have started. A serious "buy America" campaign directed against Japan has gotten underway. As of the spring of 1992, other aspects of the counterattack included the US Treasury's imposing tariffs on Canadian-built Hondas because of low North American content, Honeywell's successful patent-infringement suit against Minolta, and the Attorney General's targeting of Japanese *keiretsu* for antitrust prosecution. What makes this campaign more serious than earlier ones are signs of mass American political involvement. Examples include the Los Angeles revolt against the purchase of Japanese

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trolley cars; the runaway best-seller status of Michael Crichton's novel, *Rising Sun*; and irritation over Japanese racism against an American *sumo* contender while Nintendo negotiates to buy a Seattle baseball team. It may actually be too late for changes in Japan to affect American attitudes.

Nonetheless, will Japan change? The picture is mixed. On the one hand, Morita advocates Japanese change as the prudent response to the Japanese-American confrontation. He understands, for example, that in the American automobile industry, which is a major employer of Black Americans, Japan and America are on a collision course.[34] The United States cannot allow Japan to drive one or more of the American big three auto makers out of business—on social peace grounds. On the other hand, there is almost no evidence that the Japanese want to change or want anything more than to placate and distract the Americans. This is the conclusion of many serious, astute observers.

On the Uruguay Round, for example, the editors of *The Japan Digest* write,

> The [Japanese] government formally rejected GATT Secretary General Arthur Dunkel's proposal for 'tarification without exception' of farm products, by refusing to replace its import ban on rice with a tariff. Prime Minister Miyazawa and the ministers concerned adopted the policy Wednesday [February 26, 1992], shattering whatever small hope the U.S. and others had that Japan would for once exercise leadership on an international issue.[35]

Similarly, Kenneth Courtis, the senior economist of the Deutsche Bank in Tokyo, concluded,

> With what was perhaps the weakest government among the Group of Seven industrial nations, Japan has been unable or unwilling to address from a policy perspective any of the important structural issues currently confronting the economy.

In addition to Morita's list of low wages, low dividends, long hours, and too few holidays, Courtis adds the need for reform of the land use laws, tax equity, and deregulation.[36]

At the heart of the Bush administration's approach to Japan was the so-called Structural Impediments Initiative (SII), a scheme to use foreign pressure to force reforms in Japan intended to make Japan

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look more like the United States. Leaders of the Bush administration have declared victory in this effort, even though none of them has the linguistic or cultural knowledge to monitor Japan's compliance. Closer to the truth are the reflections of a senior Japanese journalist:

> The main content of the discussions [by the LDP about the SII] was either how to stall the United States . . . or what to do to avoid a loss of LDP seats in the next election. These discussions never considered the effects [of the SII] on the world economy or on the Japanese consumer.[37]

Nonetheless, S. Linn Williams, former deputy US Trade Representative, recently took credit for strengthening the Japanese Fair Trade Commission (FTC) and argued that the SII had bolstered Japan's enforcement of its antitrust laws.[38] Some Japanese, writing in English, would also like foreigners to believe that. The magazine *Tokyo Business Today* published a cover story on "FTC Gets Tough."[39] Evidence for this toughness is said to be found in the Saitama *dango* (construction industry bid rigging) case, about which *Tokyo Business Today* intones, "The hammer fell again in June last year [1991], with the 'Saitama *dango* scandal' involving Kajima Corporation, Taisei Corporation, and five other industry leaders" (actually a total of 68 construction companies). The truth is that the hammer never fell. Despite a full investigation during 1991, the FTC decided not to prosecute, even though the bid-rigging involved a colossal ¥ 94 billion in fiscal 1990 alone and defrauded the Saitama prefectural government. During the past seventeen years the FTC has brought only one prosecution for violation of the Anti-Monopoly Law—against manufacturers of plastic material like Saranwrap. The *Asahi* called the plastic wrap case, "A human sacrifice in order that the FTC could make a good showing of itself"—for the Americans.[40]

It is possible that Japan will change its business practices. Noriatsu Matsui believes that a great revolution is underway now to bring about "change within systems to allow more individual initiative and to ease the constraints of an over-regulated and group-shackled way of management."[41] Some analysts predict a "Spartacus revolt" of subcontractors against the slavery of the *keirestu* system.[42] However, other than some youthful griping about inadequate housing and

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conservative hand wringing about the declining birth rate, there is no concrete evidence of economic change.

II

Writing in the Spring 1992 issue of *Foreign Affairs,* former Senator Howard Baker and former Deputy Assistant Secretary of Defense Ellen Frost conclude, "If current trends prevail there is very little chance that Japan will become a major military power."[43] It is hard for me to think of a generalization about Japanese-American relations that I believe is more in error. It is precisely because "if current trends prevail" that Japan will have no other choice than to become a major military power. The Baker-Frost view reflects the all-too-common complacency of Washington about East Asia—based on definitions rather than investigations of trends there—and a resolute refusal to make any but the most generous assumptions about trends in America's own capabilities and foreign policies.[44]

For purposes of analysis, "current trends" and how they might affect Japan's security can be divided into objective and subjective trends. By objective trends, I mean changes in Japan's security environment that will compel it to respond whether it is ready or not. By subjective trends, I mean the on-going internal Japanese debate over the country's political system, its de facto technonationalist policies to achieve self-reliance in dual-use (civilian and military) technologies, and the hollowing out of existing restraints on the exercise of military power. Let me survey each set of issues.

After America's most recent display of military might—the blitzkrieg against Iraq—the Japanese no longer see the United States in the same light as the one projected by the American administration. The Gulf War, combined with the US refusal to attempt to rebuild the industrial foundations on which its military power ultimately rests or even to acknowledge that it has a problem in this respect, contributed powerfully to a reappraisal of Japan's "America problem."[45] There is no way that a *Pax Americana* can be restored or even a leadership role for the United States continued without serious American economic reform. But on almost every score the Japanese see the Americans ignoring their own most serious warnings about economic difficulties while continuing to produce bromides about how America's "soft power" will see it through.[46]

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To take only one of the most prominent and official examples, on March 1, 1992, the Competitiveness Policy Council (CPC) issued its first annual report to the president and Congress, and it caused a bigger stir than is usual when a report of this sort appears.[47] The 12-person Council was created by the Trade Act of 1988—the same law that created Super 301—which instructed the council "to develop recommendations for national strategies and on specific policies intended to enhance the productivity and international competitiveness of U.S. industries."[48] The CPC thus resembles many Japanese *shingikai* and *chosakai* going back to the immediate postwar era that were headed by such figures as Hiromi Arisawa, Miyohei Shinohara, and Saburo Okita to produce economic strategies for the nation. The members of the CPC are appointed one-third by the president, one-third by the Senate, and one-third by the House of Representatives.

One source of interest in the report stems from the fact that the chairman of the Council is the well-known economist and director of the Institute for International Economics, C. Fred Bergsten. Up until now Bergsten has been the very model of a good neoclassical economist—convinced that America's international economic problems are macroeconomic, strongly in favor of the American as opposed to the Maekawa position in the Plaza Accord (Bergsten once wrote that the American trade deficit with Japan would be ended when an exchange rate of ¥ 190 to the dollar had been achieved), and opposed to any form of industrial policy.[49]

Thus, it is interesting when Bergsten's Council writes that government and industry should work together in a new Federal agency, along the lines of the Pentagon's Defense Advanced Research Projects Agency (DARPA), to develop civilian technologies and then adds, "There need be no embarrassment over conscious endorsement of such a policy, particularly as it is pursued by virtually all other countries around the world."[50] The Bergsten report also calls for "monitoring the activities of foreign governments and firms" in the so-called "critical technologies" and suggests, "The intelligence community might be able to contribute significantly to this part of the effort."[51] The report further concludes that "our capital markets, traditionally viewed as one of America's great economic strengths," are the cause of America's catastrophically short-term orientation; that "the United States has the lowest rates of saving and investment

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of any industrial country"; that the "U.S. educational performance . . . is inadequate by any conceivably standard"; and that "the American record of the past decade is dismal."[52]

What then are the Japanese to make of a country that merely puts such a report on the shelf, beside at least another dozen like it from the past decade? As if to answer the Bergsten report, Vice President Quayle in his April 27, 1992 speech on Japanese-American relations said, "First and foremost, the United States since the 1970's has been fundamentally restructuring its economy to make it globally competitive."[53] This was, incidentally, two days before Los Angeles erupted into riots, looting, and fires caused by inadequate domestic policies on many fronts.

The Japanese increasingly suspect that Paul Kennedy got it right in *The Rise and Fall of the Great Powers.* The United States has been so long engaged in being a hegemonic power it has forgotten how to manage its domestic affairs, just as Japan has been so long preoccupied with economic competition it has forgotten how to manage foreign and security problems. The United States almost instinctively prefers a war in the Persian Gulf and the attempt to broker an Arab-Israeli peace to trying to forge a national energy policy; it badgers Japan endlessly to open its markets rather than working on its own domestic industrial policy; and it engages in military operations against foreign drug lords in Grenada and Panama rather than fighting the demand for drugs within the United States.[54] Seen in this light, "Mr. Bush's War," as Stephen Graubard has put it, looks more like an "adventure in the politics of illusion," an American version of Mrs. Thatcher's Falklands campaign intended to give Bush the same aura of infallibility that she, however briefly, obtained.[55]

One recent book that has attempted to explain this anomaly of a macho America with economic feet of clay is George Friedman's and Meredith LeBard's *The Coming War with Japan.* Interestingly enough, while this book has sold only about 40,000 copies in the United States during its first year of publication, in Japan it became a best seller with 400,000 copies sold.[56] The essence of Friedman and LeBard's argument is that in a post-Cold War world the United States finds that its "vast military power accumulated during the Cold War" is its greatest asset. "It is easier," they write,

> to force Japan to limit its exports of cars to the U.S. and to increase its purchase of U.S. cars than to increase the efficiency of Detroit. This is

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> the trap of empire. Empire is first won by the most efficient and industrious. It is then maintained by political and military efforts, not economic efficiency. Thus, economies atrophy while armies and navies grow. This military power is used to transfer wealth from colonies and allies [this was written before the United States had extracted $13 billion from Japan to pay for the Gulf War], rather than going to the political effort of rebuilding the domestic economy. At each point, the imperialist power has a choice of solving an economic crisis through internal effort or increased exploitation. The latter, being the path of least resistance, is the usual choice. The result is frequently a vast military force with a hollow socio-economic center, an empire in collapse.[57]

The Japanese fear that in lieu of domestic reform American foreign policy could degenerate into an international protection racket. They note that Bush has yielded to Pentagon pressures for only minimal cuts in military outlays, despite the collapse of the Soviet threat and the end of the Cold War. They observe the leak of the so-called Wolfowitz report, in which the US Undersecretary of Defense advocated a "lone superpower" policy. According to Wolfowitz, "We must maintain the mechanisms for deterring potential competitors from even aspiring to a larger *regional* [emphasis added] or global role."[58] Despite White House disavowals of the report, Leslie Gelb describes bipartisan plans to spend $1.5 trillion on defense between now and 1997 without any apparent American enemies on the horizon.[59]

All of this lends credibility to Friedman and LeBard's scenario:

> The bill for the Cold War has fallen due, and the United States is adding up the bill for its allies, particularly Japan's. The price—permanent subordination to the United States and a willingness to suffer economic damage on U.S. demand—is too high a price for Japan to pay. On the other hand, for the United States to continue protecting Japan's global interests free of charge is too high a price for Americans to pay. . . . The coming war with Japan will not arise out of wickedness or mean-spiritedness. It will not arise because of a lack of mutual understanding. It will not arise because Japan and America are similar or different cultures. It will arise because both are responsible nations living in a dangerous world.[60]

I believe that despite their shrill title, Friedman and LeBard have written a significant book, if for no other reason than that it clearly

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resonates with Japanese public opinion.[61] Nonetheless, I do not share their view that the United States and Japan are headed for a military confrontation. I agree with Reinhard Drifte that Japan is guided by "the popular conviction that economic power is in the end more decisive" and that the collapse of the USSR and the decline of the United States buttress this view.[62] Japan's response to an American "lone superpower" strategy will be not to parlay its dual-use technologies into a military capacity but rather one of technonationalism and the creation of American military dependencies on Japanese high-tech products. But that subject moves us from the objective security problem to the realm of subjective security as seen from Japan.

There is a lot of anomalous and contradictory defense information coming from East Asia in the wake of the Cold War. The Pacific nations are today the major defense growth market, replacing the Middle East. In 1977 Pacific Asia bought 6 percent of the defense equipment sold worldwide; that grew to 23 percent in 1987.[63] The *Washington Post* notes that "A number of Asian-Pacific nations have embarked on an arms-buying spree that contrasts sharply with the reduced appetite for new weaponry in the United States and Europe caused by the end of the Cold War."[64] T. J. Pempel asks, "Why, when the rest of the industrialized world seems to be reducing military expenditures, is Japan increasing its?"[65] Even acknowledging that Japan's expenditures today have stopped growing,

> In the past decade . . . Japan's military capacity has increased significantly by recording an average real defense budget growth of more than 5 percent per year in yen terms. . . . Japan purchases . . . more U.S. weapons under the Foreign Military Sales program than any other nation, and more than Italy, Britain, France, and Germany combined.[66]

Starting this year, Japan also intends to import some 30 tons of plutonium from Europe ostensibly for use in fast-breeder reactors. Despite high costs, the availability of much cheaper uranium, and analyses that the reactors will not be commercially viable until 2030, Japan is going ahead.[67] For what purpose?

Equally important is Japan's commitment to technonationalism. The leading specialist on this subject, Richard Samuels, concludes,

> From the Japanese viewpoint the licensing of production has never been an end in itself; it has been in the twentieth century, as it was in

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> the nineteenth century, a means toward learning the processes that underlay the design and production of the products under license. . . . Japanese industry remains poised to succeed by creating dependencies in a global market that requires its dual-use products and process technologies. Japanese technonationalism has guided the nation to reinvent security in war and in peace.[68]

Reinhard Drifte concurs:

> The Defense Agency aims at a high technology military force and at becoming self-reliant in production as well as technology. . . . Rather than instrumentalize its military power for anything else than deterrence, it is economic power which is increasingly used for political purposes as well as security-related policies.[69]

All available information suggests that the Defense Agency's Technical Research and Development Institute is engaged in a more advanced and comprehensive research program than the people at the Pentagon who sell them equipment realize.[70]

There appears to be nothing in the way of an American policy on these issues. This was perhaps best revealed in the heavily censored Congressional hearings on the sale in 1988 of the American Aegis ship-defense system to Japan. Aegis is among the most sophisticated naval technologies in the United States today. It is the naval equivalent of the Air Force's AWACS, and its integration of computers and radars has many dual-use potentialities, particularly in air traffic control operations. It is to be installed on four new 8,900-ton destroyers to be built in Japan, the first of which will be completed in 1993. At the hearings concerned with the system's sale, members of Congress raised questions about the Toshiba Machine Company's sale of numerically controlled machine tools to the former USSR, the Japanese government's promise but subsequent failure to pass an antiespionage law, and whether Japan could reverse engineer the Aegis, all of which were turned aside by Karl Jackson, then Deputy Assistant Secretary of Defense for East Asia and Pacific Affairs.

One particularly embarrassing exchange occurred when one of the admirals testifying said that the Japanese would build their own ships for the Aegis because Japan "has an excess of capable shipyards without enough business." Congressman Bennett, the chairman, asked Jackson, "If you require the Aegis to be installed in a U.S.-built ship, the Japanese will not buy the system. Is that correct? . . . [Mr.

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Jackson:] That is right."[71] The Japanese have subsequently said that they had to build their own clones of the US Navy's Arleigh Burke-class of destroyers because in the American version, "The living spaces, the corridors, the steps are too big."[72]

All of these matters, even including the Aegis sale, like the equally controversial FSX fighter aircraft coproduction agreement, can probably be rationalized one way or another. Japanese-American military integration is said to contribute to the US cork-in-the-bottle function: it helps ensure that the Japanese Self-Defense Forces cannot act on their own. And Japanese transfers of dual-use technologies to the United States, such as those used in the "stealth" aircraft, may be less a matter of Japan's acquiring leverage than of American needs. Andrew Moravcsik warns against excessive American pride in its high-tech weapons: "The decisive advantage of the United States [in postwar armaments production] did not lie in greater technological skills, an area in which it continued to lag behind Britain, but in the size of its domestic market and the level of its resources."[73] It is also true that Japan's growing labor shortage is an almost impassible barrier to the creation of a fully capable Japanese armed force.

But doubts arise when one puts together Aegis-equipped destroyers, a plutonium stockpile, and defense budgets of ¥ 4,159.3 billion in 1990 ($28.73 billion at ¥ 144.79:US$1) and ¥ 4,402.3 billion in 1991 ($32.89 billion at ¥ 133.85:US$1) in the face of Japan's severe leadership problems. There are four policy-but-not-legally-based restraints on Japan's use of armed force, plus the 1947 Constitution itself. Many Japanese have become alarmed by the fact that today all of these restraints have been hollowed out and, perhaps even more important, by the *ways* in which they were hollowed out. Recognition of and opposition to these developments has provoked the biggest constitutional debate in Japan since the Security Treaty riots of 1960. The Japanese government was embarrassed by its inability to contribute troops to the allied effort in the Persian Gulf, and it was even more embarrassed by its inability to contribute to the United Nations Peace Keeping Operation (PKO) in Cambodia.[74] Japan would like to become a permanent member of the UN Security Council, but so long as it is unable to implement a Security Council resolution that goal seems remote. The debate concerns the fact that the Japanese political system lacks a "checking mechanism," and until it gets one, the views of former Singapore Prime Minister Lee

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Kuan Yew are likely to prevail: "Allowing the Japanese to participate in military operations [is] like giving an alcoholic liqueur chocolates."[75]

The four informal restraints are the so-called Three Non-Nuclear Principles (Japan will not produce, possess, or introduce nuclear weapons), the ban on the export of arms, the limitation of defense expenditures to 1 percent of GNP, and the refusal to deploy Japanese troops outside the country. All four have been breached, the first by homebasing an American aircraft carrier at Yokosuka and by the importation of plutonium, the second by the 1983 agreement to transfer to the United States militarily related technologies and by agreeing to participate in the US Strategic Defense Initiative (SDI), the third by the Nakasone cabinet and without a Diet vote, and the fourth by the deployment of minesweepers to the Persian Gulf and by the demands to join UN peace-keeping operations. The Constitution's ARTICLE 9 is the last remaining barrier; and it is under attack by one of the LDP's most dynamic leaders, Ichiro Ozawa, who currently heads the party's Special Committee on Japan's Role in International Society. It must be understood that most Japanese equate ARTICLE 9 of the Constitution with democracy itself; to alter one is to alter the other. Thus, when Ozawa proposes that the cabinet simply ignore ARTICLE 9 and use instead the line from the preamble that "no nation is responsible to itself alone" as justification for sending troops to joint UN actions, many Japanese see the whole edifice of postwar democracy starting to crumble.[76]

Professor Jiro Yamaguchi explains:

> Following the period of rapid economic development in the 1960s, constitutional problems—in particular, the problem of the revision of ARTICLE 9 renouncing the practice of war and forbidding the maintenance of a military—was swept from center stage by conservative governments, and politics came to focus on the maintenance of healthy economic expansion. . . . The constitution said nothing about what Japan would do to preserve the order of international society should some aggressor arise as Japan itself had once done. . . . [Ichiro Ozawa, former secretary general of the LDP, wants] to have Japan return as a regular player on the stage of international politics. . . . The problem of how to arrive at a compatibility between an army and democratic principles remains unresolved. In that sense, we must call modern-day Japanese democracy incomplete. . . . Of course the Self-Defense Forces

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are going to be viewed by other countries as a threat if they are sent abroad with this present structure still intact.[77]

Yamaguchi does not oppose Japan's making a contribution to international peace and security but he wants it done legally, via a vote of the elected representatives of the people. In calling for this, Yamaguchi is asking for a serious rejuvenation of the political system and for amending the Constitution. It is possible that this will occur. It is also possible that it will be blocked by the economic bureaucracy (principally the Ministry of Finance and the Ministry of International Trade and Industry), which does not want to see the return of military rivals to its own preeminent leadership positions.[78] There are very complex forces involved, and it will take time for the Japanese political system to resolve these issues. Time is also needed for the rest of Asia to come to terms with the growing evidence of Japan's military, as well as economic, power.

III

Japan's agenda for the next decade is to resume responsibility for its own foreign policy and to begin to shape the world in which it lives rather than simply adjusting to it. As I have noted in the preceding pages, it faces two major hurdles in proceeding toward that goal. It must make its economy more open to others, and it must transform the Japanese-American security relationship in ways that are acceptable to both the Japanese and the Americans. If it succeeds in both of these tasks, or even if it fails in one or the other, it will still face a third task, and that is to come to terms with the rest of East Asia. Even though economic regionalism, including that of East Asia, seems the most likely shape of the New World Order, Japan's relationship with Asia goes well beyond economic regionalism.

Despite its prewar record of aggression in the area and its postwar attempt to ignore its neighbors as much as possible, since 1985 Japan has begun to integrate its economy with Asia in a true horizontal division of labor. As Hideo Sato notes, "In late 1989, Japan's monthly trade with Asia surpassed its trade with the United States for the first time in modern history."[79] The Plaza Accord, which raised the value of the yen against the dollar and thereby promoted Japanese investment outside the country, was more instrumental in causing

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this integration than the creation of free trade zones in either Europe or North America. But those developments also caused Japan to pay attention to an "age of Asia"—as a way of responding to and possibly providing leverage against Europe and America becoming discriminatory blocs.[80] But integrating with Asia is for Japan not an unmixed blessing. It is fraught with dangers. Whatever Japan does, it is constrained by the legacy of the past and by the fact that its leadership in Asia means making some domestic sacrifices, something its people and political system are perhaps unprepared to do.

The former vice minister of foreign affairs and new 1992 ambassador of Japan to the United States, Takakazu Kuriyama, recently said to the press, "Deep remorse for acts committed by Japan in the first half of the 20th century should be strictly maintained in the future."[81] But Japan may not want to or know how to do this, as revealed by continuing domestic controversy over the rape of Nanjing, the conscription during World War II of Asian women for Japanese army brothels (known in the Japanese press by the euphemism *ianfu,* "comfort girls"), whether or not to send the new emperor abroad to offer apologies, and by widespread ignorance in Japan of elementary historical facts.[82] Steven Weisman, the former Tokyo Bureau chief of the *New York Times,* reports the case of a Japanese high school teacher who raised with his students the subject of the war between Japan and the United States and was met with the question, "Who won?"[83] In 1992, Singapore, like several other Asian countries, opened a new museum to record life under Japanese rule, including the execution of at least 40,000 resident Chinese. Prime Minister Goh Chok Tong described the forty-four months of occupation by Japan as a period of "terror, fear, and atrocities."[84]

It is not just that Japan, unlike Germany, has made no effort to reconcile itself with its neighbors and that its educational bureaucracy refuses to teach about the recent past. Some observers suspect Japan will never face these matters. Tamamoto refers to "what many Asians see today as a thin veneer of contrition masking Japanese arrogance." He adds, "Asia continues to be for Japan a temptation to bare its chauvinism and conceit. This is true in part because most Japanese continue to believe that their country is superior to Asia, though it is clearly unfashionable to articulate such a sentiment."[85]

The problem, then, for Asians is how far to go in throwing in their lot with Japan. It is comparable to the problem faced by Latin

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Americans vis-à-vis the United States, although not even Japan can match the US record of misunderstanding and exacerbating revolutionary situations—as in Mexico c. 1910 to 1940, Cuba from 1959 to the present, Nicaragua throughout the 1980s, and Peru today. For Japan the problem is related to the need for domestic political rejuvenation discussed earlier. Japan's inability to formulate a foreign policy independently of the United States is one reason for its lack of contrition, but that political weakness as well as the lack of contrition give pause to those who must depend on Japan. As Seth Cropsey asks,

> Does Japan now understand that ruling another people without their consent—such as the Koreans—is wrong; is Tokyo's democratic form of government a bow to Western sensibilities, or has it truly been embraced in the years since the Allied occupation; is Japan's own commitment to popular rule deep enough to come to the aid of another whose democracy is threatened?[86]

Whatever the answers to those questions, Asian nations also expect Japan to offer concrete leadership, here and now. In a Nihon Keizai poll taken in February and March, 1992, of some 449 scholars and businessmen in eleven Asian countries and Australia, almost 80 percent said they wanted a regional economic bloc with Japan participating. Over 90 percent in Indonesia, Thailand, and the Philippines said they would welcome Japanese *leadership* of such a bloc; 78.4 percent of mainland Chinese and 54.3 percent of South Koreans said they would not. Equally significant, all respondents supported the growth of subregional blocs, or what the Nihon Keizai has called "spontaneous economic spheres."[87] In order of preference, these miniblocs are ASEAN, the Yellow Sea (Japan, China, and the Koreas), South China (seaboard China, Hong Kong, and Taiwan), and the Sea of Japan (Japan, China, the Koreas, and Asiatic Russia). Some 90 percent of the respondents said that they would like to strengthen economic ties with Japan, 10 percent wanted more political ties, and none wanted military ties.[88]

This poll merely confirms international trends and the policies that Japan has quietly pursued since the mid-1980s. For example, since 1986 MITI has been advising Thailand, Malaysia, Indonesia, the Philippines, Pakistan, Sri Lanka, and Bangladesh on the development of export-oriented industries. This advice has often clashed with

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American economic doctrine opposing intervention in the market, but until recently the Americans were not paying close attention. During 1992 MITI expanded its program to promote import substituting industries, thereby seeking to reduce Asian countries' dependence on imports from Japan.[89] Equally important, Japan has been working to integrate mainland China more fully into the Japan-dominated Asian division of labor.[90] Regardless of China's record on human rights abuses, Japanese companies increased the value of their investments in China in 1991 some 69 percent over 1990.[91] In April 1992, MITI Minister Kozo Watanabe promised Chinese officials that Japan will put up ¥ 5.2 billion ($38.5 million), or 70 percent of the development costs of a new 536-acre industrial park in Dalian.[92] All of these moves together with Japan's emergence as the world's leading source of long-term capital led up to and conditioned Malaysian Prime Minister Mahathir's 1990 proposal to create an East Asian Economic Group (EAEG).[93] The Americans opposed it, and it was shelved; but Japan has neither rejected nor endorsed it, seeming to see it merely as premature.

The original EAEG proposed by Mahathir excluded all the English-speaking nations—not only the United States and Canada but also Australia and New Zealand—which is a problem for Japan. It cannot (yet) afford to reduce its reliance on the markets of North America and Europe and it hopes never to have to make that choice. As the Editorial Board of *Kankai* (Bureaucratic World) reported on the tensions surrounding the release of MITI's latest White Paper on International Trade:

> MITI now is truly at its greatest turning point. If it errs in the direction it should take, MITI and the Japanese economy as well will probably suffer great damage. Well, then, where should MITI advance? First would be to restrain even by a little the pressing growth of economic blocs. It is not possible now to dismember the economic blocs forming in Europe and North America, but MITI should act to overcome their "exclusiveness" to the greatest extent possible. On the other hand, it is probably necessary to deal carefully with the East Asia Economic Group (EAEG) of Japan, the Asian NIEs [Newly Industrialized Economies], ASEAN, and China. "Answering bloc with bloc" is likely to lead to the return of the Greater East Asia Co-Prosperity Sphere. Even though Japan is not the great military power it once was, as long as it is by far the greatest economic power in East Asia, an

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> EAEG in which Japan participates cannot avoid being stamped with that kind of character. In order to escape the growth of exclusionary world economic blocs and protectionism, Japan and MITI must . . . offer leaderhip . . . that includes a partial opening on rice. It will probably be necessary, if one requests his counterpart to shed blood, to shed some of one's own as well.[94]

It is not a matter of Japan just shedding *some* of its own blood; it will have to replace the United States as the main market for East Asian exports. That is a sobering thought to many Japanese. In 1987 the United States took 35.1 percent of the NIEs exports (i.e., those of South Korea, Taiwan, Hong Kong, and Singapore) whereas Japan took only 11.5 percent, and the NIEs got 26.4 percent of their imports from Japan and only 16.2 percent from the United States, leaving America with a $37.2 billion deficit and Japan with a $21 billion surplus. Japan would also have to open its market to Asian investment. In 1989 direct foreign investment in former West Germany, for example, amounted to 17 percent of its assets, whereas the figure for Japan was 1 percent.[95] Sakutaro Tanino, head of the Asia Bureau of the Foreign Ministry, comments,

> When American Reaganomics are mentioned their negative side is emphasized because the policy produced the twin deficits [trade and budgetary]. But it is also a fact that because of it the United States emerged as a great absorber of East Asian products. . . . But if the present U.S. Government is set to seriously tackle its financial deficits, things will not go as before. In the future, the problem will become who will absorb this region's products and support the prosperity of the East Asian economy. I think it will have to be Japan.[96]

For this to occur severe political pressure will have to be generated inside Japan, and as part of that pressure the United States will have to start disengaging from the area. So long as the United States continues to give every regional problem "a Cold War veneer" and its military remains there on the pretext of maintaining regional stability, nothing will change—except the progressive moral and financial bankruptcy of the United States. "On balance," writes Olsen,

> the resurfacing of endemic regional tensions in Asia may be inevitable and ultimately healthy. Its prospect is no reason to perpetuate an artificial Cold War environment to prevent releasing repressed dynamics. The argument that the U.S. must remain as a stabilizing force to

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prevent excessively powerful Asian states from disrupting the equilibrium is a relic of the Cold War.[97]

As one of the few nations that can project power, the United States might want to remain in Asia to preserve its own interests, but all that it is doing at present is preserving an unstable status quo that it can no longer afford.

Japan's coming to grips with Asia, like opening its market and starting to assume responsibility for its own defense, is fraught with possible conflicts with the United States. Such conflicts will not arise because America needs an "enemy" to replace the USSR, or because of American racism or Japan-bashing or revisionism, or because American workers are lazy, as apologists for Japan often contend. They may come about because the United States itself has not yet found the political leadership and will to face up to the implications that it too has become a "normal" nation. The problems surrounding Japan's search for a "normal" role stem from the fact that Japan is not a normal country. It is an economic giant and a political pygmy. This distortion has been an unintended consequence of the strategy pursued by the United States during the Cold War. But the United States has also been warped by its Cold War, superpower role—a role that it must now abandon. Recognition of this could serve as the basis for achieving normal roles for both nations.

ENDNOTES

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[3]*World Policy Journal* (Fall 1991): 593.

[4]Quoted in Kathryn Tolbert, "Pacific Grim," *Boston Globe Magazine,* 29 March 1992.

[5]Edward A. Olsen, "A New American Strategy in Asia?" *Asian Survey* XXXI (12) (December 1991): 1140.

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[7]*Asian Survey* (December 1991): 1142.

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[12]Koji Kakizawa, "Ima Amerika to do tsukiau ka" (How Shall We Get Along With America Today?), *Chuo koron* (March 1992): 112.

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[16]David P. Rapkin, "Sekai shisutemu ni okeru Nihon no ridashippu" (Japan's Leadership in the World System), *Leviathan* V (Autumn 1989): 34–51.

[17]See Chalmers Johnson, "Reflections on the Dilemma of Japanese Defense," *Asian Survey* XXVI (5) (May 1986): 557–72.

[18]Stephen D. Cohen, *Cowboys and Samurai: Why the United States is Losing the Battle with the Japanese, and Why It Matters* (New York: Harper Business, 1991), 8, 11. For further evidence of Japanese exceptionalism, see Edward J. Lincoln, *Japan's Unequal Trade* (Washington: Brookings Institution, 1990).

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[30]Akio Morita, "'Nihon-kata keiei' ga abunai" (Japanese-style Management in Danger), *Bungei shunju,* February 1992, 94–103. Thirteen years earlier Morita's senior partner at Sony, Masaru Ibuka, made similar points but without advocating reform. See his "Ima no Beikoku kigyo wa Nihon ni katenai" (Today American Corporations Cannot Beat Japan), *Voice,* October 1979, 54–60. For excerpts from Morita's article in English, see "Japan Must Play According to the Rules of its Competitors," *Los Angeles Times,* 9 February 1992.

[31]See "Ronso: Nihon kigyo no chingin suijun?" (Debate: What About the Wage Standards of Japanese Corporations?), *Asahi shimbun,* 28 January 1992; "Business Barons Call Truce over Workers' Wage Debate," *Nikkei Weekly,* 29 February 1992; Ayako Doi, "Trade Friction: Morita's Startling New Revisionism," *The Japan Digest,* 24 January 1992; Leslie Helm, "More Japanese Leaders Say Their Country Is at Fault," *Los Angeles Times,* 5 February 1992; and R.

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[36]Kenneth S. Courtis, "Japan Faces Dangers of the Downside," *The Japan Times,* 9 December 1991.

[37]Yukio Kashiyama (Sankei Shimbun), "To Avoid the 'Coming War': A First Hand Observation of U.S.-Japan Relations," (New York: East Asian Institute, Columbia University, December 1991), 6.

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[52]Ibid., 11, 18, 20, and 26. Also see David P. Calleo, *The Bankrupting of America* (New York: William Morrow, 1991).

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[60]*The Coming War,* 403.

[61]For a review praising the fairness and insight of Friedman and LeBard, see Shoichi Saeki, *Bungei shunju,* July 1991, trans. American Embassy, Tokyo, *Summaries of Selected Japanese Magazines,* December 1991, 18–25.

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[71]Seapower and Strategic and Critical Materials Subcommittee, Committee on Armed Services, House of Representatives, *Sale of the Aegis Weapon System to Japan* [HASC No. 100–53] (Washington: Government Printing Office, 1988), 20, 68.

[72]David Evans, "Japanese Doing a High-tech Two-step with Tanks, Ships," *Chicago Tribune,* 20 December 1991. It is interesting to note that Karl Jackson went on to work for Vice President Quayle and is thought to be the author of Quayle's speech of 27 April 1992 on Japanese-American relations. The *Far Eastern Economic Review* identifies Jackson as "one of the few remaining overt Japanophiles within the administration." Susumu Awanohara, "The Good Scout," *Far Eastern Economic Review* (14 May 1992): 16.

[73]Andrew Moravcsik, "Arms and Autarky in Modern European History," *Dædalus,* 120 (4) (1991): 33.

[74]In January 1992 UN Secretary General Boutros Ghali urged Japan to join in peacekeeping operations, asking for "even a small number" of people to participate. In return, former Foreign Minister Hiroshi Mitsuzuka asked for a permanent seat on the Security Council and to have Japan's name removed from a list of "enemy nations" named in the Charter. In January Prince Norodom Sihanouk asked visiting Socialist Party Chairman Makoto Tanabe "to send Japanese troops to help clear mines and restore peace." Four months later, at a press conference in Beijing, Boutros Ghali said that the UN contingent for Cambodia was already filled and that Japanese were not needed. The following day a Japanese Foreign office official said that what he meant was that "the forces in Cambodia are sufficient, not that the Japanese aren't needed." *The Japan Digest,* 16 January 1992; 28 January 1992; 16 April 1992; 17 April 1992. On 15 June 1992, the LDP rammed its PKO bill through the Diet despite mass resignations by some 141 Socialist Party members. The bill still bars Japanese troops from any operation that might involve actual military action. Japan says it plans to send a contingent to Cambodia to engage in medical assistance, bridge and road repair, and refugee relief.

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[75]Quoted in Tamamoto, *World Policy Journal* (Fall 1991): 584–5.

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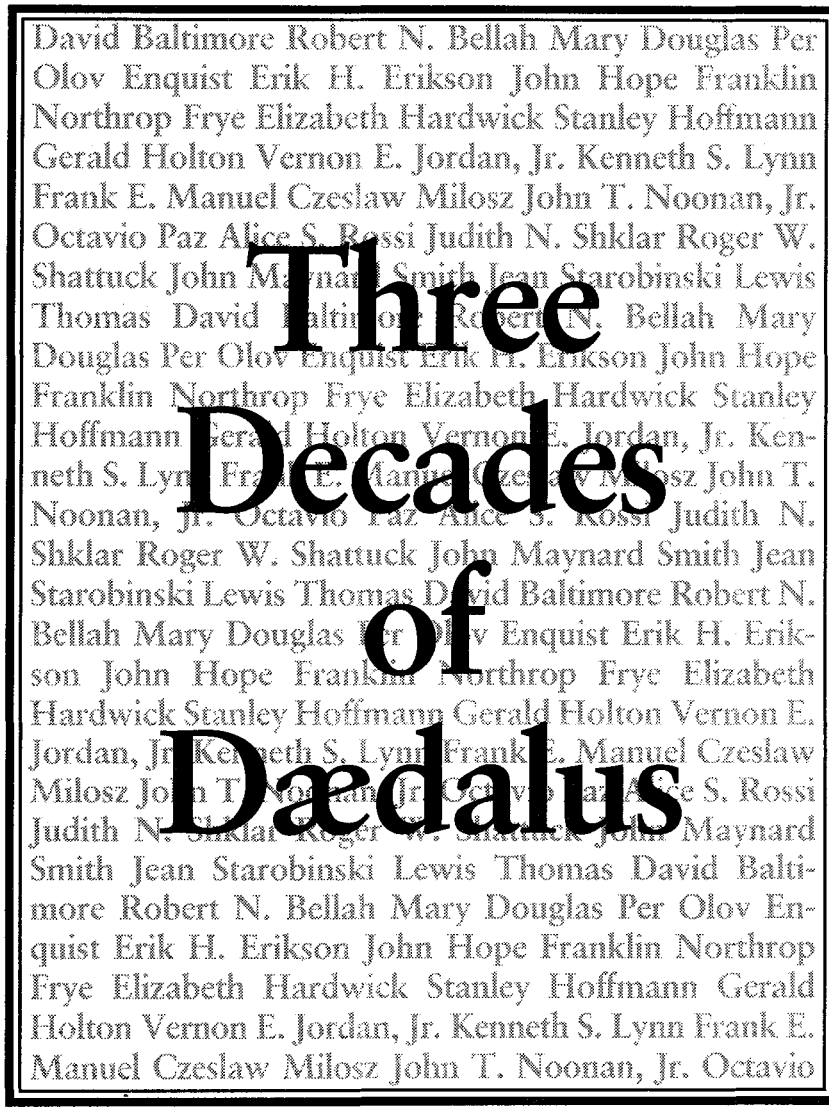

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Ezra F. Vogel

Japanese-American Relations After the Cold War

OF ALL THE COLD WAR ALLIANCES that must now be refashioned to accord with new realities, none is more critical for world order than the one between the United States and Japan, and none is more burdened with complex psychological baggage.

Ambassador Mansfield's favorite expression, "The US-Japanese relationship is the most important bilateral relationship in the world, bar none," is even more true today than when he first uttered it in the late 1970s. America can no longer dominate world affairs as it did in the early decades after World War II when its economy towered over all others. The world economy is far more intertwined than ever before, and the influence of America and Japan, the world's two largest economies, is felt everywhere. The resolution of major global issues requires Japanese as well as American contributions, and this necessitates that the two powers achieve a high level of mutual understanding.

At the grass roots, Americans and Japanese are working together in all major economic and political spheres, their activities and interests thoroughly intertwined. But new doubts about the relationship, set off by the recent spurt in Japan's economic power and by the end of the Cold War, have touched off deep-seated emotional reactions in both countries. Gone is the automatic readiness to unite against communist power and ideology. Gone is America's overweaning confidence and unquestioning generosity; gone also is Japan's deep feeling of dependence and humility. The uncertainty in

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Washington and in Tokyo about the nature of the relationship in the new era has led to drift and frustration at the top that is beginning to take its toll at lower levels as well.

Any meaningful new vision for Japanese-American relations must confront the legacy of the Cold War that began during the Allied Occupation of Japan, from 1945–1952, when Japanese-American ties became deeper than ever before.[1] During the Occupation, Japan's institutions were changed far more than were Germany's. As Yoichi Funabashi says, "the Americans, as good winners, were generous; the Japanese, as good losers, studied hard."[2] American technology and ways of thinking were introduced in every sector of business and private life and, with adaptations, became part of Japan. Television came to Japan during the Occupation, with considerable American programming, enabling Japanese to know American life at a depth inaccessible to previous generations. Japanese were thus Americanized as they were modernized, but Japanese heritage and pride were powerful and survived Americanization, albeit altered in the process. New hybrid institutions and culture took on enormous vigor.

When the Allied Occupation ended in 1952, the Cold War was at its zenith, the Korean War was still unresolved, and the Sino-Soviet relationship was growing stronger. Japan depended on America for its security from nearby menacing communist powers. The Japanese economy was still weak, highly dependent on American technology and markets. Therefore in 1952, the institutions and practices imposed during the Occupation were automatically allowed to continue because Japan did not have the leeway to openly evaluate the alliance.[3]

The Japanese-American alliance thus never made a clean break with its origins in the American dominated occupation. Even in 1960 when Japan had the choice of whether to renew the Japan-United States Security Treaty, the top political leaders rammed through its continuation despite widespread opposition, without a full public debate or analysis. The constitution, imposed by directives from General MacArthur's staff, has never been thoroughly reexamined. The grand reckoning to put aside the postwar era by openly evaluating developments since 1945, which Nakasone called for during his prime ministership in the mid-1980s, had still not taken place when the Cold War ended.

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Since 1961, beginning with a speech by Ambassador Reischauer, the United States has referred to the US-Japanese relationship as a "partnership,"[4] but it started as an unequal partnership, and the effect of these origins have not been completely erased either in the United States or in Japan. American feelings of superiority stemming from their roles as conqueror and teacher and their sense of moral righteousness for putting down the aggressor have not disappeared.

Nor have Japanese fully expunged what many felt as the humiliation and legacy of defeat. American troops, part of the Allied Occupation of Japan, have remained on American bases in Japan since 1952 and their image as occupying forces has not fully dissipated. To Japanese the failure of Russia to return the "four northern islands" and the request of Asian nations that Japan apologize for activities of World War II are further reminders that the slate of World War II has not been wiped clean.

To Japanese the fact that they follow the lead of the United States in foreign policy is part of the legacy of defeat in World War II. Of course, Japanese leaders adapted their policies to further their economic interests, but in their view the US-Japanese alliance means that they have not completely had an independent foreign policy. Since World War II Japanese capacity to collect and analyze information relevant to security is still not on a scale to compare with America's. Within Japan's Foreign Ministry, the highest elite track careers have been in the North American Bureau.[5] On all major foreign policy issues, one of the first questions was, "What is the American position?" Most Japanese opinion leaders acknowledge that the alliance with America was in their interest, but the issue was never squarely examined. Only now with the end of the Cold War does Japan have the opportunity to evaluate dispassionately the legacy that became their own without full public debate.

The opportunity for Japan to now examine dispassionately its national interest coincides with the spectacular rise of Japan as a great financial as well as industrial power, with Japan's replacement of the United States as the world's largest creditor. This economic success allows patriotic Japanese who had resented their dependency on America to break the psychological shackles of dependency and to declare that America, with its drugs, crime, poor education, loss of industrial capacity, and inability to control its debts and trade balances, is a nation in decline. Proud Japanese who felt humiliated

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because of Japan's defeat and economic weakness, can now in effect declare an end to the humiliation.[6]

Americans have been proud of their generosity in providing Japan with security, technology, and markets. Many Americans now feel, however, that the Japanese took advantage of this generosity by pursuing their own narrow interests and that even when the Japanese became rich, they did not assume their fair share of the burdens of maintaining peace. Many Americans could accept Japanese economic victories if they believed that they were won fairly. But in the view of many Americans, Japan unfairly protected its markets from foreign goods, copied American technology, and engaged in predatory practices to destroy American industry.[7] Many Americans responded to Japan's economic successes and new pride not with respect and approval but with moral condemnation for winning victory on playing fields that were not level.

With the collapse of the Soviet Union and the reduction in the external threat, Japan's examination of the Japanese-American relationship became more open. This, together with the drift in the relationship at the top levels allowed the expression of powerful emotions that had long been partially suppressed. The resulting tensions, while not as severe as the 1960 anti-Security Treaty Riots, reached a new height during the Persian Gulf Crisis of 1990–1991 and after President Bush's visit to Japan in January 1992. It is useful to examine these two incidents to illustrate the problems of the relationship after the collapse of the communist threat and the transformation of Japan into an economic superpower.

THE GULF CRISIS

On the eve of the Gulf crisis, Japanese opinion leaders had already begun to reach a consensus that Japan should assume a larger world political role, commensurate with its status as an economic power. Japanese leaders, like those of other countries, believed that after the Cold War, military matters would become less important. It was only natural that as economic matters became more important, Japan, as an economic superpower, would see its global political role expand. When in 1986 and 1987 the yen virtually doubled in value against the dollar and Japanese purchasing power overseas rose accordingly,

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Japanese began to talk about noblesse oblige. It followed that Japan should do more to share global burdens.

In the Gulf crisis, Japan found that on issues that could be handled within the Foreign Ministry, experts could respond quickly. Within hours of the invasion of Kuwait, Japanese Foreign Ministry officials, aware of the seriousness of a territorial invasion as a challenge to world order and of America's determination to respond accordingly, were able to move quickly to block Iraq's assets.

But on issues requiring a broader political consensus, Japan became almost immobilized. Japanese political leaders over many decades had placed great value on preserving a consensus-supporting policy. From the time of the invasion of China in 1937 until 1945, Japan's military overwhelmed all civilian institutions; they were in a position to make quick decisions. In postwar democratic Japan, officials were not able to make major decisions so quickly, especially after the public reaction to political leaders ramming through the continuation of the Japan-United States Security Treaty in 1961.

When the Gulf crisis erupted, Japan had not yet reached a consensus about whether there were any circumstances that would justify sending troops abroad. The difficulty of achieving a consensus was compounded by Japan's institutional structures and the political position of Prime Minister Kaifu. The prime minister's office did not have an independent policy-oriented staff comparable to the American president's White House and National Security staff. In the mid-1980s Prime Minister Nakasone, concerned about developing a more centralized capacity to respond quickly to international issues, had begun to develop such a staff but it was still relatively weak. The prime minister in Japan is therefore much more dependent on the bureaucracy than the American president. At the time of the Iraqi invasion, Kaifu was new to his post and in an unusually weak position for a prime minister. Kaifu had not even been in the group of politicians groomed as a possible candidate for prime minister. Under ordinary circumstances, as a member of a very small faction with little leadership experience and political support, Kaifu would not have been considered for the post. But when Prime Minister Takeshita was suddenly removed from office because he was implicated in the Recruit Scandal, the Liberal Democratic Party (LDP), facing a crucial national election, wanted a candidate with the

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cleanest possible record. Kaifu was selected to pull the party through the election.

The question of sending troops abroad was one of the most sensitive issues on which to obtain national consensus, and it became more sensitive because of American pressure, and also because some Japanese officials saw the Gulf War as a special opportunity. Many did not want to risk the lives of Japanese in this crisis, but the American Embassy in Tokyo warned Japanese political leaders that foreign opinion would be highly critical if Japan was not prepared to risk its citizens' lives, along with those from the United States and leading European countries.

Those Japanese leaders who were convinced that to be a great power Japan had to reinterpret or revise the constitutional prohibition against war making saw the Gulf conflict as a great opportunity. They hoped to use international pressure to overcome the nation's aversion to sending troops abroad. Many Japanese political leaders and bureaucrats, having honed their skill in using American pressure to achieve their own goals in Japanese domestic politics, made it seem as if America was pushing for troops, that America's requests could only be met by sending troops. This maneuver provoked a vehement response from opposition leaders and intellectuals, who felt their chief mission was to prevent the return of Japanese militarism and authoritarianism. Ordinary families who did not care to risk the lives of their sons became equally aroused. The strength of the opposition both surprised and immobilized the political leaders who wished to send troops to the Gulf.

Japanese leaders, weakened by the outpouring of opposition, behaved cautiously. Prime Minister Kaifu announced that Japan would not risk Japanese lives in the Gulf War. When Japanese funds were first appropriated for Gulf activities, Finance Minister Hashimoto announced that Japan would contribute only $1 billion to the effort; that was said to be the limit. After American officials persisted in urging Japanese leaders to send some personnel to the Middle East, Japan announced, long after hundreds of thousands of Americans were in the Gulf, that it would send 100 medical people; in fact, Japan was able to recruit only 20. The medical recruits, arriving in the Middle East without proper preparation and planning, had difficulty finding a useful role and soon returned to Japan. Japan considered sending airplanes and ships, but the unions objected and

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Japan Airlines, recently privitized, explained that it was no longer at the beck of a government order and had no planes available.

By the time the American forces began to attack Iraq, Japanese leaders had begun to realize the potential dangers of Western criticism for an unwillingness to share the burdens of preserving international order. Unable to win public support to send personnel, Japanese leaders in the end voted for additional funds.

American officials were in fact also split on what Japan's best contribution to the Gulf War should be. Some, concerned about the dangers of Japanese remilitarization, worried about the complexities of managing forces from so many countries, and were happy to see Japan send money rather than people. Others felt that the American public would never tolerate seeing American troops risk their lives, serving in effect as mercenaries, while Japan simply paid the bill.

In fact, the Japanese had many doubts about America's actions in the Gulf crisis. Some knowledgeable Japanese felt that the United States had made a grave mistake in supplying Hussein with weapons. Japan, they noted, did not sell weapons abroad; without American weapons, Hussein would never have been able to invade Kuwait. Many Japanese, having long feared being drawn into international wars because of trigger-happy Americans, felt that Americans had not fully exhausted the possibilities of nonmilitary sanctions.

Some Japanese wondered whether America had the public support and determination to complete the task of destroying Hussein; they feared he might remain a political force after the war. But Japanese intelligence in the Middle East could not compare with that of the United States, and the Japanese were reluctant to set off a strong American reaction by publicly criticizing American policy, especially when Americans were so determined. The criticisms of American policy were quietly discussed in Japan but not publicly expressed to Americans. Many Japanese leaders were genuinely frustrated that they were unable to be more articulate in explaining their views.

At the critical moment when the Western powers began to plot their strategy in response to the invasion of Kuwait, the center of the planning effort was the UN Security Council. Many in Japan, long upset that smaller powers were permanent members of the Security Council, and that Japan with the second largest financial contributions to the United Nations was not, saw Japan as outside the circle of intimate discussions. The Gulf crisis fueled these deeper resent-

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ments about being excluded from permanent membership in the Security Council.

It is perhaps not surprising that most Japanese did not feel a strong emotional identification with American and European efforts in the Gulf. The Japanese public, far more concerned about Japanese lives than the lives of others, were initially riveted to the issue of Japanese hostages. When American bombs began to fall in Iraq, Japanese newspapers recalled how Americans had bombed them during World War II; many Japanese identified more with those on the receiving than the delivering end. Because Iraq was a major oil producer, and because several other Middle East oil producers sympathized with Iraq, Japan was leery about alienating those oil producers.

Toward the end of the crisis, Japanese officials, increasingly worried about foreign reaction, made huge additional payments, totaling $13 billion, providing more than any other country apart from Saudi Arabia. The Japanese were disappointed that America and its European allies expressed almost no public appreciation for this huge financial contribution, which required significant Japanese sacrifices. Japan was condemned by Westerners, especially by Americans, for being so slow in responding to an international emergency and contributing so little to an international order from which they derived such great benefits. Annoyed at those self-righteous Americans who acted as if they enjoyed a monopoly on virtuous behavior, many Japanese recoiled at American criticism, and began to talk more openly within Japan of *kenbei,* their dislike of Americans.

At the same time, many Japanese, surprised at the quickness of the American response to Iraq's invasion of Kuwait, were impressed by the success of American technology, diplomacy, and skillful execution of the war. Awed by American might and vigor, some Japanese expressed the fear that Americans, without a Soviet enemy, would begin to cast their eyes on Japan.

Almost no Japanese felt pride in Japan's indecisive response to the Gulf crisis. Many who watched international television news programs and noted the forces that were dispatched from so many nations felt embarrassed that Japan contributed so little. By the end of the conflict a majority of Japanese felt that America's response to the crisis had been basically correct. The crisis served to strengthen those forces in Japan seeking to develop better mechanisms for making rapid decisions during international crises. It led Japan to

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send mine sweepers to the Middle East after the war and, by June 1992, to agree to create a peacekeeping organization (PKO) of Japanese servicemen who could be sent abroad under UN command. Because sending troops abroad for the first time since World War II was such a major policy change, the PKO bill was a carefully crafted compromise. Troops from Japan were to be sent only under international auspices and used only for peacekeeping activities. Japanese diplomats carefully prepared other Asian governments for this decision, assuring them that it did not mean a return to militarism.

PRESIDENT BUSH'S VISIT TO JAPAN, JANUARY 1992

President Bush, originally scheduled to visit Japan in November 1991, postponed his trip when a Republican candidate in Pennsylvania, Dick Thornberg, suffered a surprising defeat. The postponement, interpreted in Japan as an embarrassment to Miyazawa, the newly elected prime minister, was thought to be a sign that American leaders were placing Bush's domestic political concerns above the country's relations with Japan. Before the visit, the President announced that the purpose of the trip was "Jobs, jobs, jobs." Accompanied by auto-executives, the visit seemed to place narrow commercial interests above broad national interest. In Japan, the President visited the newly opened Toys Я Us, the first large-scale American retailing establishment in the country. State Department and other officials concerned with East Asia had advised against the President's postponing the trip. They were critical of his decision to stress jobs and to bring along auto-executives. Domestic political considerations won out.

From the Japanese perspective, Bush's policy of enlisting the help of auto-executives seemed ridiculous. Even Americans, showing preference for Japanese-made autos to American-made autos precisely because American cars had a reputation of being of lower quality than their Japanese counterparts, had registered their opinions in the salesrooms of the country. Japanese consumers were not greatly interested in buying American cars. American auto-executives, concerned more about restricting the flow of Japanese cars into the American market than with opening the Japanese market to American autos, had a different agenda than officials in the

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Bush administration, concerned mostly about keeping Japan's markets open.

Important discussions between Bush and Miyazawa on a broad range of issues in the post-Cold War era were drowned out by the American media's preoccupation with the auto-executives. To the media, Japanese officials very cleverly focused all the discussion on whether a few additional thousand American cars might be sold in Japan. When the American media focused also on the high salaries of the American auto-executives, dwelling on the poor quality of American cars, the efforts of the American car manufacturers to press their arguments backfired.

The tensions between Japan and the United States reached a peak not during the visit itself but after Bush returned to the United States. President Bush's talk of "Jobs, jobs, jobs" touched off American fury about the inability of American firms to penetrate the Japanese market. While American complaints about Japan's trade practices were not new, automobile sales in both Japan and the United States were very tight; the administration's handling of the president's visit gave new respectability to raw American emotion.[8] A torrent of complaints by American auto-executives, trade unions, laid-off American autoworkers, and their political spokesmen followed.

Japanese auto-executives, concerned about this growing friction, decided to raise prices of many models in the American market, accepting a temporary minor decline in sales to give American automakers a breathing space in generating profits. Public discussions of automobile issues gradually abated, drowned out by the presidential election campaigns.

AN INTERPRETATION OF THE CONFLICTS

The Japanese, analyzing conflicts between the great powers, are drawn to Western explanations about hegemonic stability and hegemonic decline.[9] According to this view, in the late nineteenth and early twentieth centuries, stability was provided by the British; in the decades after World War II, by the Americans. The instabilities that led to World War I and World War II stemmed largely from the decline of British hegemony. The relative decline of American power, and the loosening of the alliances around the world, are thought to be leading to an uneasy period of readjustment. The question asked by

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Japanese analysts is whether there will be a new period of cooperation, *pax consortis,* or independence and stronger rivalries.[10]

In the 1990s, the Japanese will certainly develop a greater capacity for independent analysis of their national interest; inevitably, they will find areas where they define their interests differently than Americans. In this period, while old relationships are loosening and new independence is tested, emotions, previously held in check, will come to the surface. The Japanese will continue to wonder how long Americans will have the financial resources and the political will to ensure their security, keep world markets open, and remain generous in sharing science and technology.

The emotionalism of the American response to Japan reflects growing doubts about the ability of US corporations to compete against Japanese firms, to provide employment, to offer a promising economic future for the next generation of Americans. The most intense doubts within the United States are felt in industries and localities under most immediate threat from Japanese competition—automobiles, semiconductors, and electronics.

The new emotionalism had its birth in the special era in the late 1980s when the yen almost doubled in value against the dollar, the Japanese government made cheap money available, and purchases of American companies and property skyrocketed. Many Americans, feeling that ownership was slipping from their hands, feared that America was losing control over its fate. This new fear was reflected in Pat Choate's *Agents of Influence* and Michael Crichton's *The Rising Sun,* each contributing to the new mood.[11] The harsh criticism of Japan stemmed also from the belief that Japan was gaining because of unfair competition, stealing American technology, dumping and maintaining closed networks that effectively shut out American competitors. The idea that Japan had a different culture and a different system was not new; Japanese intellectuals and American specialists on Japan had long argued this. A more intense version of the argument, now called "revisionism," took on a new life when American company executives, workers, and their political representatives argued that they suffered from this different system, which they called unfair.[12]

The emotionalism on the Japanese side stemmed not from fear of economic competition but from the belief that they were not being treated with proper respect. The drive to be accepted, to be treated

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with honor, has been a powerful motive in Japan since the latter part of the nineteenth century.[13] Many Japanese felt very acutely that they were not accepted as full members of all the informal groups of Western nations that discussed issues like Iraq. In their view, without being fully consulted, they were expected to pay the bill. As cosmopolitan Japanese explained to Americans, that was "Taxation without representation."

Many Japanese did not believe that American laws or perspectives had any superior moral authority. Now that Japan was stronger economically and the Cold War was over, why did Americans continue to lecture them about human rights, the environment, or how to run their domestic economy? After all, America had its own problems with many of its ill-treated minorities. The country wasted energy and spewed out more carbon dioxide and other waste per capita than almost any other. It had badly mismanaged its economy; crime, drugs, educational dropouts, narrow selfishness, and inadequate civic responsibility seemed rampant.

If self-doubts by Americans about their capacity to handle economic issues fueled their anti-Japanese mood, self-doubts by Japanese of their capacity to play a constructive leadership role in the world made them sensitive to foreign criticism of Japan's handling of international affairs. Japan remained dependent on America not only for markets but for resolving many of the more pressing international issues. While some accepted this,[14] others sought passionately to gain and assert their independence both in high technology and in international politics.

TENSIONS IN PERSPECTIVE

And yet, even at the peak of the tensions, public opinion polls showed that most Japanese retained favorable impressions of Americans and most Americans had favorable impressions of Japanese.[15] Americans did not stop buying Japanese products or selling real estate and companies to Japan. For all those whose complaints attracted attention, far more were going about their business working together.

Analogies, sometimes voiced in both countries, between the circumstances of the moment and those in the 1930s were misleading at best. In the 1930s the Japanese military was in the ascendancy, with vast forces overseas. In the 1990s Japan's military remains discredited

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and discouraged; its budget, now about 1 percent of GNP, is not growing; it is expected that the size of the self-defense forces, 234,000 in 1991, will decline further. In 1991 the Ground Self-Defense Force, wishing to recruit 28,000 people, and offering great incentives for technical training, managed to recruit only 18,000. Before the end of World War II, military occupation of other countries yielded very positive results, gaining access to vital resources, winning strategic geopolitical positions and valuable markets.[16] After World War II it is difficult to find instances where military occupation of other countries has led to comparable benefits. New technology has rendered geopolitical considerations almost meaningless. In the post-colonial era with the growth of democracy and mass media, public opinion in countries with resources is easily mobilized and the possibility of gaining access to raw materials and markets through military occupation seems at best remote. What Japan achieved through military occupation in the 1930s, it now seeks to accomplish by using cash and economic leverage.

In the 1930s the Japanese military was in a position to maintain tight control over the flow of information to the Japanese public; in the 1990s with the spread of consumer electronics, telecommunication equipment, and international satellites, tight censorship over news is impossible. The level of Japanese economic activity, linked to and dependent on foreign trade and investment, is today on a scale unimaginable in the 1930s.

Despite the high level of tension in the relationship between 1990 and 1992, at the grass roots in both countries, relations are closer; activities continue to become more intertwined. In 1984, 12,000 Japanese were studying in the United States; in 1992, 40,000 were doing so. In the late 1980s the increase in Japanese language study in the United States was greater than for any other single foreign language; the number of Americans studying or working in Japan, while still far smaller than the number of Japanese in America, was growing rapidly.[17] All prefectures in Japan pointed with pride to the Americans working on their staffs. Most major Japanese companies began to take foreign interns in the 1980s; in the 1990s, they expected to continue to expand that number, to enhance the responsibilities assigned them within the company.

Joint ventures and alliances between Japanese and American firms continue to expand. American exports to Japan, while still far behind

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Japanese exports to the United States, have risen substantially in recent years. Although some Japanese in the United States reported anxiety about the public's reaction to Japan after the Bush visit, the mood has since quieted down. Most young Americans in Japan, who have learned the Japanese language and work in Japanese companies, report that despite certain problems they have excellent relations with many of their Japanese colleagues.

The term "internationalization" remains positive in Japan. Although the stress is more on the Japanese becoming internationalized than in opening Japan to foreigners, the trend toward internationalization is unmistakable. Japanese take great pride in those international officials of Japanese origin like Sadako Ogata, UN High Commissioner for Refugees, and Yasushi Akashi, UN Committee on Trade and Development (UNCTAD) Representative in Kampuchea, who have come to the fore; they are especially anxious to assist them in their international efforts. The Japan Overseas Cooperation Volunteers under Japan International Cooperation Agency (JICA) has almost as many youth per capita overseas as its counterpart, the American Peace Corps.[18]

COMMON INTERESTS BEYOND THE COLD WAR

The common interests that bind Japan and the United States beyond the Cold War stem from their positions of having the world's largest economies and of leading overseas trading nations. Many Japanese, despite considerable nostalgia for a homogeneous society and a desire to avoid foreign entanglements, are too successful around the world to stray very far from the path of further internationalization. While many would prefer not to have foreign laborers live in their neighborhoods, with unemployment running about 2 percent and Japanese workers reluctant to accept work that is *"kiken, kitanai, and kitsui"* (dangerous, dirty, and difficult), the number of foreign laborers is rapidly increasing. Some estimate that the number of illegal foreign workers has already passed one million.

Like Americans after World War I, some Japanese are attracted to isolationism, but the number of Japanese living abroad and the number being trained to go abroad continue to grow. Although many Japanese companies find work with foreign firms frustrating, they are rapidly increasing their alliances with them. Many are planning to

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expand their sales around the world; their success in global markets cannot be separated from the success of the countries to which they sell. The basic interests of the great trading nations around the world are to maintain the stability of the world economic and trading system, and to increase the flow of goods.[19] These, more than nostalgia for a splendid isolationism or frustration with other partners, determine Japanese behavior.

Although the United States is in relative decline, American corporations retain a substantial overseas investment, in Asia and elsewhere, and they, too, benefit from the global flow of goods and services. Although America's political will to sacrifice for the rest of the world may continue to diminish, the country's international economic interests are not likely to fall in the foreseeable future; neither will America's desire to maintain those interests.

While many individual American companies compete directly with individual Japanese companies, the interests of multinational companies increasingly depart from national interests. Japanese multinationals do tend to be more closely linked to national purpose than the multinationals of other countries. Still, regardless of the country of origin, as multinationals expand and mature, they are prone to grant greater autonomy in decision making to their representatives abroad; executives in charge of local operations around the world begin to have interests divergent from those of home headquarters. Most Japanese companies entered the world markets more recently than multinationals of other countries; though the process of localization may be slower, the direction is unmistakable.

It remains true that the Japanese government works with Japanese corporations to devise an overall strategy for the success of the economy. And Japanese still assume that if Japan makes an item, Japanese consumers should buy it rather than the foreign product. Yet, it is also true that the Japanese government and the business community see it in their overall interest to have thriving economies around the world. While determined to protect their interests, they have shown themselves ready to compromise when other countries or companies are determined to look after their respective interests. The new slogan for the 1990s for Keidanren, the leading business association, is *"kyoosei,"* mutual vitality; they see their interest in preserving the vitality of business around the world, in accommodating to reduce tensions. Japan and the United States, with their

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common interest in a stable and successful world economic trading system, are increasingly defining their interests in these terms, working together to maintain them.[20]

Although Japan has not yet taken the lead in these efforts, it has worked closely for years with American diplomats to resolve disputes in various parts of the world. The desire to take a leadership role was already evident in the early 1960s when Japan sought to resolve conflicts between Indonesia and Malaysia, and it is now growing rapidly. In 1992, for example, Yasushi Akashi serves as UNCTAD representative in Kampuchea where he is playing an active role in resolving that country's difficulties.

The unresolved question is how Japan can realize its role of preserving world security without dispatching its forces abroad. In Asia, it has already shown a readiness to work with the Association of Southeast Asian Nations (ASEAN) countries to discuss issues of common security and to contribute to that process. So, also, Japanese politicians and defense strategists are continuing to work closely with the United States, convinced that it is in Japan's interest for American forces to remain in Asia.[21]

American military planners, for their part, recognize that the cost of maintaining the American Seventh Fleet in Asia and of continuing to deploy some ground and air forces there is in fact manageable. With new technology able to cover long-range distances, it is less important to maintain large numbers of bases. Access to temporary bases in an emergency situation can provide the capabilities previously enjoyed with permanent bases. Planners have negotiated the right to use certain access points at far lower costs than maintaining existing bases. Since the Japanese now pay about 75 percent of the cost of keeping American troops in Japan apart from their salaries,[22] it costs Americans less to maintain troops in Japan than in the United States. In Asia, where Japanese security issues are most critical, the cost to the United States of maintaining forces is minimal in the context of America's total defense expenditures. Cooperation, involving US and Japanese forces, especially naval forces, is excellent.

It is not in the interest of Japan to promote regional trading blocs that exclude the United States, or are at the expense of the international trading system. In the 1930s when Japan was a regional economic power, not a global economic power, its economic interests were overwhelmingly concentrated in Taiwan, Korea, China, and

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Indonesia. Today, when Japan has become a global economic power, it has far greater investment in North America and Europe than in Asia.

To see the world as emerging into three trading blocs is to misperceive the basic reality. It is true that the reduction in barriers to trade, financial flows, and travel within Europe, North America, and Asia have proceeded faster than for the world at large. It is also true that in recent years trade within each of these areas has grown more rapidly than trade between the areas. Still, trade has grown and continues to grow between the three regions; officials representing the European Community and those involved in expanding the North America Trading Agreement have made clear their intentions not to increase barriers to the outside world. Japanese trade with and investment in the European Community have been expanding rapidly; these trends are expected to continue.

Japanese officials have made it clear that they do not intend to convert parts of Asia into a closed trading bloc.[23] As the world's most competitive trading nation, they realize that if they sought to close certain Asian spheres, this would only strengthen protectionist sentiment both in Europe and in North America. That is not in their interest. It is instructive, in this connection, to observe Japan's response to Malaysian Prime Minister Mahathir's call in 1991 for an Asian trade bloc that would exclude the United States. Japanese officials, while not discouraging the idea entirely, hoping to keep up the pressure on Europe and North America not to become more protectionist, said nothing that would suggest any wish to adopt so radical a policy.

Japanese citizen movements and public discussions of environmental issues have grown rapidly. Former Prime Minister Takeshita, leader of the largest political faction, has been particularly strong in emphasizing the importance of environmental issues.[24] Still, the Japanese do not see the issues precisely as Americans do. While the United States may play a larger role in advocating a reduction in fishing, the elimination of whaling, the preservation of rare species, and a slowing down of the felling of virgin forests, Japan is more concerned with controlling emissions, energy conservation, and recycling. The United States and Japan already engage in cooperative projects for environmental control, and these efforts are likely to be expanded in the future.

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In the 1980s both the Japanese government and many private associations greatly expanded their efforts to promote Third World development. Again, the Japanese approach is not precisely the same as the American, but their basic interest in providing humanitarian aid, promoting development, maintaining a stable international financial system, and reducing armed conflicts broadly overlap. Although Japan has traditionally focused its aid on Asia, in recent years it has greatly expanded its programs to include poorer nations. Its aid to Africa exceeds that given by the United States and some $800 million is to go to India, though Japan's interests in trade and investment in these poorer areas remain very minimal.[25]

Japanese companies see little short-range business opportunities either in Eastern Europe or Russia. Reluctant to give large-scale aid to Russia until the northern territory issue of the "four islands" is resolved, they were greatly annoyed with the Bush Administration for announcing the East European aid plan before Japan had made a final decision. Still, Japan has been an active participant in the programs the advanced nations have developed to give aid to Eastern Europe and Russia.

In short, American and Japanese interests are basically in concert: to maintain an open trading system, avoid regional conflicts, keep down regional protectionism, defend the global environment, advance scientific discovery, and aid less developed countries. The Japanese public is increasingly supportive of Japan's playing a role in all these areas and in working with the other advanced nations of the world to achieve these purposes.

SUGGESTIONS FOR A POST-COLD WAR AMERICAN APPROACH TO JAPAN

Common Vision of Global Interests, Shared Goals

With the end of the Cold War, there is a need for a new vision to give a positive overall direction to the US-Japanese relationship. To gain broad public support from the many groups in both societies affected by that relationship, private as well as public sector leaders should share in its conception. It ought to be articulated and presented by the top leaders of both societies. The vision ought to set out common interests and common tasks for dealing with basic global issues.

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Among the common tasks, maintaining an international economic order with global trade, controlling pollution, providing comprehensive security,[26] assisting underprivileged peoples and nations, and advancing the frontiers in medicine and natural science, must figure. While there are already common American-Japanese efforts in all these areas, they must be expanded and integrated.

Among the leaders in both countries who need to be involved in formulating the vision are: heads of the major political parties, officials from the key branches of government, and leaders in the private sector representing major business, worker, and public interest groups. The process of creating such a vision, with broad-based inputs from both societies, might require one or more years and can help deepen the links between Japanese and American groups that will later be involved in implementing the agreements. The vision ought to be specific enough to establish new common programs. Inputs from other countries should be welcome and the programs should, where possible, include participants from other countries.

Deeper Commitment to the Pacific Region

There is a need for a more specific and detailed vision for the development of the Pacific area, where the interests of Japan and the United States overlap, for cooperative efforts there lag behind those between Europe and North America. Again, inputs must come from all countries in the region, and should address such issues as: the potential for development in the area, the infrastructure needed in telecommunication and transportation, and common security needs.

It is not easy to define the geographical boundaries of the Pacific region. Some common efforts in Asia will include very broad areas, as far east as the North and South American countries bordering on the Pacific, as far west as India and Pakistan.[27] Perhaps the most critical area, however, for additional organizational inputs in the near future is the region where the linkages of international commerce are already great: the countries of East and Southeast Asia, Australia, New Zealand, and North America. This area, already served by APEC (Asian Pacific Economic Council) and PECC (Pacific Economic Cooperation Council), can be the one that provides a framework for greatly expanded activities.

Although the region is growing more rapidly than any other in the world, the United States in recent years has lagged far behind Japan,

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not only in new investment, but in sponsoring and participating in conferences to discuss major political, economic, cultural, and social issues.[28] Japan is now endeavoring to bring China, North Korea, and Vietnam into the international economic community and to increase mutual trust to head off an arms race in which these countries purchase arms from many parts of the world. It is important that the United States continue to manage our concern with human rights and with the identification of servicemen missing from action in the Vietnam War in such a way that it does not isolate these countries. Isolation could well lead them to a rapid arms build up. The United States needs to make a much greater commitment to the region, both in the private and the public sectors.

Promotion of American Interests in Trade and Investment

There is a need to continue to work on the problem of trade and investment imbalances between Japan and the United States.[29] While Japan has made considerable progress in opening its market since the mid-1960s, foreign companies from all countries still complain that the Japanese market is more difficult to penetrate than that of any other advanced nation. Because the Japanese have had difficulty in securing internal consensus to purchase foreign manufactured goods and to encourage foreign investment, American pressure, long exerted, needs to be continued. That pressure, however, must be applied with a long-term strategy in mind, by well-informed officials who employ a minimum of inflammatory rhetoric.

Since certain American policies make it difficult for foreign goods to enter the United States, American officials would do well to present their views in something other than an idiom that expresses moral self-righteousness. For some American free market economists, businessmen, and politicians, the belief in "free trade" and the denunciation of "managed trade" takes on an almost religious fervor. Yet, America also engages in a considerable amount of managed trade. Japan's "voluntary restraint" of exports to the United States in such goods as textiles, television sets, steel, automobiles, and machine tools, is a form of managed trade, that derives from American pressure.

Close linkages between Japanese firms—*keiretsu,* bank groups, manufacturing company-supplier links, private railways, department store complexes, and wholesale-retail networks—have been very

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successful. It is naive to imagine that the Japanese will abandon these linkages and government economic guidance for a system that is less competitive.[30] The United States no longer has the leverage to dictate to an economy that is so successful. It does, however, have the world's largest domestic market; there is no reason why access to that market cannot be used as a lever for expanding opportunities in the Japanese market.

Although it is important to continue to press Japan on certain trade and investment issues, the best approach is the Australian model. In 1989, Ross Garnaut, an economist and former Australian ambassador to China, published a report for the Australian Prime Minister and Minister of Foreign Affairs and Trade, advising Australia on how it might respond to the economic challenge from Northeast Asia. The report, *Australia and the Northeast Asian Ascendancy,* argued that since the Northeast Asian markets were the most dynamic in the world, that it was in Australia's interest to do everything it could to participate in those economies. Specifically, Australia was urged to develop more specialists in the requisite languages, to learn more about the markets, and to take part in a greater number of joint ventures and collaborative projects. The government was asked to play a facilitative role in all these efforts.[31] There are great opportunities in Japan for America's firms, with competitive products, who learn the subtleties of the language, understand the society and market. The failure of American firms to hire and train specialists prepared to deal with the markets of East Asia is today a more serious problem than any created by trade barriers.

Response to Competitive Challenges

There is a need to strengthen America's competitive capacity. Nothing that America will do to redefine its interests with Japan in the post-Cold War world is as important as dealing with its own domestic problems. It is now widely accepted that there is a need to balance the federal budget; to increase investment in plant, equipment, and infrastructure; to raise the standards of education, training, and commitment in the work force. Strengthening the American economy and its work force would do a great deal to improve the country's relationship with Japan.

Westerners knowledgeable about Japanese politics recognize, however, that this will not be enough. There is a great need to revise

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American thinking on crucial matters. The notion that questions of economic competition can be safely left to companies, and that the government has no role at all is both naive and deceptive. The US government has already been deeply involved in the American economy, protecting steel companies by granting quotas without requiring them to reinvest in modernization of plant and equipment; deregulating the savings and loan industry and then bailing failures out at a tremendous cost to the country; choosing not to support American companies working together to form consortia to promote high-definition television or memory chips; promoting defense industries while refusing to play a role in helping former defense contractors to make the transition to civilian industries. The need is for a more rational policy that will allow companies to perform better in meeting their global competition.[32]

The American government lacks a strong track record in its ability to make decisions about business issues. American business would never tolerate the detailed micromanagement of industrial policy that is prevalent in Japan. But in at least three fundamental areas the American approach can be revised. First, it is in the country's interest, given its high-priced labor force, to maintain strong high-tech industries; this requires incentives for investment, support of cooperative projects where private capital is inadequate, and assistance in helping companies to define their needs so as to create demand-driven new technology. Second, there is a need to adapt financial regulations and financial markets to make it easier for firms to think in long-term categories to develop long-range strategies. Third, the kinds of mergers and acquisitions that have so distracted business leaders need to be more tightly controlled. They have caused such frequent changes of management and direction that America's leading business historian, Alfred Chandler, has observed that they have destroyed the organizational capacity of American firms to compete.

Those who have watched East Asian developments over recent decades recognize that the competitive challenge for the United States is far more serious than most Americans realize and that the country's long-range future depends on dealing with certain fundamental underlying issues.[33] In the 1980s as many American firms became aware of their competitive problems with Japan, they began to work hard to increase the quality of their goods, to improve the efficiency of their operations. But there is only so much that an

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individual firm can do unless there is a broader commitment by the government to create the kind of environment that will allow firms to concentrate on the long run with a well-trained work force in a stable society. The proportion of America's economic activity now affected by international trade continues to grow so rapidly that it is not possible to isolate the country from certain basic trends. There is no possibility of building a wall to contain the advances in Asia. The competitive challenges should be used to broaden support in American society for dealing with its own problems and for taking an active part in profiting from the vitality of Asia.

ENDNOTES

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[2]Yoichi Funabashi, "Japan and America: Global Partners," *Foreign Policy* (Spring 1992): 24–39. For a general account of his views about the post-Cold War era, see Yoichi Funabashi, *Reisengo* (After the Cold War) (Tokyo: Iwanami Shinsho, 1991).

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[4]Akira Iriye, "U.S.-Japan Relations Since 1950," in *A Retrospective of Eighty Years of the U.S.-Japan Relationship* (Washington, D.C.: Reischauer Center for East Asian Studies, SAIS, 1985), and Akira Iriye, *Across the Pacific: An Inner History of American-East Asian Relations* (New York: Harcourt, Brace & World, 1967).

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[9]See Robert O. Keohane, *After Hegemony: Cooperation and Discord in the World Political Economy* (Princeton: Princeton University Press, 1984), and Robert Gilpin, *The Political Economy of International Relations* (Princeton: Princeton University Press, 1987). For a Japanese interpretation see Naohiro Amaya, *"Saka no Ue no Kumo" to "Saka no Shita no Numa"* (Above the Clouds and Below the Swamp) (Tokyo: Tsuushoo Sangyoo Choosaka, 1985).

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[11]Pat Choate, *Agents of Influence* (New York: Alfred A. Knopf, 1990) and Michael Crichton, *Rising Sun* (New York: Alfred A. Knopf, 1992).

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[13]Iriye, *Across the Pacific.*

[14]Koutaro Tawara, *'No.2' ga Nihon no Shikata da!* (Japan's Way is Number Two!) (Kyoto: PHP, 1990) and Atsushi Kuse, *Suupaa Nambaa tsuu: Nihon* (Super Number Two: Japan) (Tokyo: Shodensha, 1990).

[15]See the collection of various 1990 polls in "How the Japanese See Themselves... and Us," *The American Enterprise* 1 (November/December 1990).

[16]For a comparison of European and Japanese colonial systems, see Lewis H. Gann, "Western and Japanese Colonialism: Some Preliminary Comparisons," in Ramon H. Myers and Mark R. Peattie, eds., *The Japanese Colonial Empire, 1895–1945* (Princeton: Princeton University Press, 1984).

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[22]Norman D. Levin, "Prospects for U.S.-Japan Security Cooperation: the Mutual Security Treaty and Beyond," from the conference on "Japan's Future Global Role," sponsored by Georgetown University and Japan Economic Institute, 11–14 March 1992, Washington, D.C.

[23]See Prime Minister Ohira's vision for the Pacific Basin in "Atarashi Michi: Kantaiheiyoo Rentai Koosoo" (A New Path: The Concept of the Pacific Basin Community), in Yuichiro Nagatomi, *Kindai o Koete: Ko Ohira Soori no Kisareta Mono* (Beyond Modernity: The Legacy of the late Prime Minister Ohira), vol. 2 (Tokyo: Ookura Zaimu Kyookai, 1983), 54–134.

[24]Takeshita has recently fully embraced green politics. In April 1992, for example, he hosted a meeting of world leaders to help lay the foundation for the June Earth Summit in Brazil in which he took a major role.

[25]For an analysis of Japan's foreign aid, see Association for Promotion of International Cooperation, *A Guide to Japan's Aid* (Tokyo: APIC, 1990); Alan Rix, *Japan's Aid Program: A New Global Agenda* (Canberra: Australian International Development Assistance Bureau Issue no. 12, 1990); Shafiqul Islam, ed., *Yen For Development: Japanese Foreign Aid and the Politics of Burden-Sharing* (New York: Council on Foreign Relations, 1991); and Robert M. Orr, Jr., *The Emergence of Japan's Foreign Aid Power* (New York: Columbia University Press, 1990).

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[27]For one thoughtful overview of the Pacific see, Gerald Segal, *Rethinking the Pacific* (Oxford: Clarendon, 1990).

[28]For a fuller discussion of Japan's efforts in the Pacific Rim, see Masahide Shibusawa, *Japan and the Asian Pacific Region* (New York: St. Martin's Press, 1984), and Sueo Sekiguchi, ed., *ASEAN-Japan Relations: Investment* (Singapore: Institute of Southeast Asian Studies, 1983). In a poll of Asian executives, about three-fourths expect that during the next decade Japan will strengthen its role but about one-half expect a substantial withdrawal of US forces, *Keidanren Review* (April 1992).

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[31]Ross Garnaut, *Australia and the Northeast Asian Ascendancy* (Canberra: Australian Government Publishing Service, 1989). For discussions of this report which became the main stream of Australian thinking about how to approach Japan, see J. L. Richardson, *Northeast Asian Challenge: Debating the Garnaut Report* (Canberra: Australian National University, 1991); and "Australia and Northeast Asia: The Garnaut Report," *Australian Journal of International Affairs* (April 1990): 1–51.

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Merry White

Home Truths: Women and Social Change in Japan

THE IMAGE OF THE JAPANESE HOUSEWIFE, as a stay-at-home dependent appendage of her husband, replaced the earlier one of the shuffling, three-paces-behind-the-man, kimono-clad woman. Both images have been superseded by new realities: a woman carrying only a purse, striding ahead of a man who carries her shopping bags and the baby; a hard-drinking young woman in tight jeans and leather jacket, spurning the flowers and candy offered by importunate suitors; an independent woman entrepreneur psyching out the market for innovative products, taking on Goliath-like manufacturers and winning; a middle-aged woman seeking divorce rather than catering to a retired husband's whims. The place of women in society, and male and female roles, have entered a new era in Japan. Women are bringing many formerly taboo issues out of the closet and changing not only their own lives but those of men, children, as well as society itself. As new participants in politics, they are changing public life; as the prime consumers, they are changing the economy; as workers they are changing the relationship between labor and management. Most strikingly, they have brought questions of social class and diversity into the public eye, and forced the realization that Japan is heterogeneous and stratified.

Formerly, women had their own "place," their own value, distinct from that reserved for men. Several recent changes in Japanese society have forced open the question of the double standard and the separate spheres. Now the public sphere, as epitomized in the corporate managerial work identity, is, at least in theory and in law,

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a "place" for both men and women. Until recently, women and men operated in separate arenas—the valued work for women in the home, for men in the workplace—and women's skills were exhibited only privately. As women's value and identity shift from the private sphere to the public, women have become more critical and vocal about the nature of work and the relationship between the family and the workplace.[1] They have become the most visible, and audible, agents of change in Japan.

IMAGE SHIFTS

About eight years ago in *Dædalus,* I wrote that an examination of women's lives in Japan would confound Western feminists looking for universally understandable oppression, suffering, and sisterhood. Japanese middle-class housewives, devoted to the home, did not generally see themselves as "in service" to men, and did not say that they felt oppressed by gender role typing. Typically, they saw devotion to the home as the creative nurturance of *children,* rather than obedience to a *man,* and to them the home offered a sense of domain rather than dependency. I noted that "Japanese women perceive their work as wives and mothers as important because it is socially valued."[2] Of course, even among middle-class housewives, this was only part of the picture.

My views on women and cultural values evolved over twenty years of acquaintance with a cohort of women my age whom I had first met in the early 1960s. In the early 1980s, the fact that these women were *not* undergoing the agonizing reappraisal and profound personal changes my generation experienced in America, seemed to mean *either* that they were victims of false consciousness, coopted by the "good wife and wise mother" ideal touted since the Meiji Restoration as a source of social value for women,[3] *or* that they were indeed truly gratified by their primary role as nurturer of the next generation. American observers saw Japanese women either as unempowered and oppressed or, perhaps, possessing a real sense of self-worth, privately manifested. Enraged or envious, Americans saw only part of the picture. Moreover, the view was a partial snapshot of a moment in Japan's social history. A broader panorama is more instructive.

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In twenty-year spans, three dominant images of women have overlapped: from the 1950s to the 1970s, the dedicated and dependent housewife; from the 1960s to the 1980s, the capable "professional" role performer; and from the 1970s to the 1990s, the active competitor. They would seem to form a progression from kitchen to Parent-Teacher Association (PTA) to boardroom. Each image comes equipped with a rationale, a value tradeoff to what might otherwise appear to be constraint and oppression. In the 1950s, women were to help in the reconstruction of Japan by providing a stable family life for their children and for their dedicated salaryman husbands. In the 1970s, the idea of the separation of spheres clarified the distinct turfs of men and women, and women tried to live up to "professional mother" standards set in the school and in the community.[4] In the late 1980s, however, new influences created more diverse options for women and admitted some to the success ladder formerly reserved for men. The housewife-professional now is joined by the career-professional of the 1990s, and both are now rethinking the value and structure of their own lives, those of men, and of the system that drives them all.

ON THE HOME FRONT

Changes in family patterns and experiences have given the Japanese woman-wife-mother new responsibilities and choices—and in the context of the autonomy she has experienced in nuclear family households, and in decision making on household and childrearing matters, she is well able to take advantage of the options available. Women whose mothers had never left their neighborhoods except for funerals and weddings are now in part-time jobs, off on weekend trips with their friends, or engaged in adventurous hobbies. It is called *onna tengoku,* "women's heaven," and the pleasures extend well beyond those of children and hearthside.

Mariko Shimada

Mariko Shimada[5] is the quintessential housewife in "heaven." In her early fifties, while her husband is working for a large trading company, she has become a professional journalist writing on a wide variety of topics, free-lancing for many magazines and newspapers. She is also a consultant on home issues for educational television. Now that her children are grown, she travels throughout the world

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for new material—in addition to working with disabled home-bound people in her neighborhood, playing tennis and swimming, taking courses in English, and of course, keeping house. Overseas she is intrepid and has a quick grasp of people and situations beyond her cultural or linguistic expertise. She says she is just "foolhardy" and lucky not to have gotten into trouble with all the lives she leads, and indeed her fearlessness and independence are striking.

Yukiko Kondo

Another such "new woman" is Yukiko Kondo, a woman in her early thirties, with a two-year-old child. She is a sociologist trained in Europe, who married only recently, at the age of 29, after receiving a Ph.D. and beginning a new job as a researcher for a government think tank. Women professionals in the generation just above Yukiko's could manage such a life only with the assistance of an indulgent mother-in-law or mother, at home to take care of the child, but Yukiko's strategy is less reliant on the support of family. She has chosen to buy a small apartment for herself and the baby to use during the work week, quite near her office, and uses a local housewife and other babysitters in the neighborhood there. She can nip home at lunch time to see her son, and devotes herself to him in the evenings. Without a husband to take care of—except on weekends, when she and the baby visit him in their family condominium in the middle of the city—she can maintain her responsibilities to the workplace and to her child without the complex reciprocities of a family-based strategy.

The fact that Mariko developed her career and activities after her children were grown is typical of women in her generation, who parlay their skills as professional housewives into the marketplace and into activities outside the home, for fun and profit. Mariko, however, is a remarkable case given the intensity and breadth of her activities. Yukiko, equally intensely involved, has chosen a focussed self-standing career, less gender-role-bound, and has chosen a balancing act rather than either Mariko's choice of congruent careers as professional and housewife, or a pure "career-no-family" option.

Mariko's satisfactions fit the 1970s explanation of women's role performance in the separation of spheres in postwar Japanese families. This describes the delineation of different sources of identity and authority for husband and wife,[6] a situation which allows (or forces)

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women to be emotionally, if not financially autonomous. Their emotional independence was epitomized in the popular saying of the 1970s, "the good husband is healthy and absent." Like the nineteenth-century pioneer woman in America, the Japanese woman has always had to carry on by herself, and the social constraints under which she labors must not be confused with *dependency on men.* As Mariko herself notes, if anyone in Japan is dependent today, it is men, and at all ages, those who tend them are women.

The received opinion of the "separate spheres" camp visualizes women as stable, secure, and satisfied—*except,* of course, for younger women and other "pathological" categories. Until very recently, then, it seemed that there was no serious issue of discrimination perceived either in the relationship between the sexes or in the roles culturally valued for women.

But now, in the 1990s, there is a new code and value system emerging for women that stems from very rapid social and economic changes affecting the whole of Japanese society. Presaged by feminist discussion in the 1970s and 1980s, there is evidence for something new in women's behavior and in the popular media where trends are both echoed and created.

ACCESS AND SUPPORT: NEW WORKPLACE OPPORTUNITIES?

Women now comprise 40 percent of the work force, and *legal* barriers to equal opportunity have been removed through the passage of the Equal Employment Opportunity Law in 1986. This act stipulates equal access and pay for women and men in comparable work. Two years later, in 1988, the Labor Standards Law was revised, removing restrictions on women's overtime and other work previously considered to be dangerous to women's health and safety. What these changes have done is not so much to provide strong protection for women's rights as to raise consciousness and prepare the ground for testing new access to the mainstream.

In some of the largest companies, women make up half of the employees, but are compartmentalized as "temps," in dead-end production line or office clerk positions. The number of these positions swells at peak times and shrinks at slack times. But women now are more than a source of flexibility for their employers. They have new work patterns, and, occasionally, status.

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Most women are employed in the service industries, followed by wholesale/retail and restaurant industries and manufacturing. Employment for women in construction work has markedly increased—even in traditionally male areas such as shipbuilding and tunnel work. Reflecting new choices in educational training, women also are becoming engineers and architects, previously all-male occupations. However, only 1 percent of managers are female, and 60 percent of these women are single.

Sixty-eight percent of all employed women are married, and most do have children. More than 50 percent of mothers have jobs. Family issues are the dominant concern and most women take a prechildbirth leave of about a month, and maternity leave of two months.

About 20 percent of employers offer child-care leave systems or reemployment schemes after an extended leave. Alternatives for mothers are part-time work, now accounting for 24 percent of female workers, and take-home or piece work at home (*naishoku*), which was popular in the early 1970s, but is now in decline.[7]

Changes in labor force participation are the result of a combination of changing work patterns and shifts in women's relationship to production, and efforts by women to effect changes for themselves as workers and family members.

The most striking effect of the participation so far has been a new discussion about how suitable workplace conditions are for *anyone,* not just for the women who are trying to combine work and family. The Management Coordination Agency of the Labor Ministry has noted that women who are married put in 510 more hours of work per year than their husbands—even with their overtime work counted—since they work four hours per day doing housework.

Although women's work life course is beginning to emulate that of men, it will be a long time before their wages measure up. The Equal Employment Opportunity Law was touted as the key to women's equality in the workplace, but in practice has not produced equal pay for equal work. In 1989, women were still earning only 60.2 percent of male wages (compared to the only slightly better 68.7 percent in the United States and the much more impressive 91.9 percent in Australia). However, female employees now outnumber housewives who stay at home, and the trend is not likely to reverse. Most however are part-time, either in hours or in title, for as "part-timers," women can be paid lower wages (about one-third the regular hourly

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rate) and be given fewer benefits. Women's work is still a separate category, as many male managers feel that women are not worth encouraging since it is thought they will leave to have children. Administrative positions are still dominated by men, even in primary schools where many teachers are women.

Legal support for women in the workplace has provided a wedge, but one with little enforcement power. The timing of the Equal Employment Opportunity Law, appearing just as evidence of the coming labor shortages was beginning to appear, put the squeeze on employers who see a more expensive female labor force in their futures. The policy as originally drafted was modified through consensus-building discussions with business leaders, so that penalties are minimal for employers who break the law. In the truly free labor market originally envisioned in the law, women would seek the same positions, status, and pay as men and employment would be sex blind, but the reality will be harder to achieve. Employers are torn between wooing women into the work force by providing amenities such as flexible schedules and day care on site, and encouraging these now expensive workers to quit early, as before.

THE SINGLE LADDER OF SUCCESS

Weak as it is, the Equal Employment Opportunity Law is more than symbolic of new conditions of work for Japanese women. What the new law does is to legitimize women's *aspirations* for equal treatment, and allows for new thinking on gender and work.

In much of the premodern world, plural paths to good lives validated different kinds of occupations and callings. Until the advent of modern bureaucracies and the educational ladder of achievement, societies which had previously understood learning as a virtue and occupations as ascribed were transformed by "credentialling,"[8] required for access to a new, uniform hierarchy of work, usually in civil service. Until recently, in nearly every case this model of achievement was restricted to men.

In Japan, while the advent of Western-style education and employment came in the nineteenth century, and while women have been in these "modern" schools and workplaces from the beginning, a gender-based duality has persisted, the modern form of which has been the polite division of labor between home and workplace, wife

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and husband. Because the status and ideology (the *tatemae*) of women's role in the home have been so well developed, even in the postwar era, and because the meritocratic educational status ladder has been so important in placing children in their occupations, the separate ladders to the successful life for women and men have only occasionally been questioned—although the reality (the *honne*) of suppressed ambition and discrimination at the workplace has been discussed among women over the past forty years.

The *tatemae* is now being challenged by the *honne,* and the legal support for the same standards for men and women in the workplace has opened a new era. Employers must now find other rationales besides "women's work" to track women separately, and access to what men have is theoretically available to women.

Of course, the revolution has not fully arrived, and Japanese employers, like their Western counterparts, will simply take gender role stereotyping underground. But women now see themselves, employment, and the workplace from a different perspective. The creation of a single ladder of occupational opportunities will not necessarily produce women who seek to be clones of men. Moreover, it is producing a very different work value and their relationship to the system. If these women hold employers to the letter of the law, there may soon be a critical mass of employees with different ideas about the place of company and work in their lives, and about the established means of "getting ahead."

The question is, will this produce "bureaucratized" women, or "humanized" men? Will women be subsumed into the system or will they continue to use the independence given by gender typing (and epitomized in "a mother's logic") to create change—not just for themselves, but for men too?

THE "M CURVE": DOES IT STILL REFLECT FEMALE LABOR PATTERNS?

Employers, women, and popular media have, until recently, assumed that women will emphasize the family roles they perform over work outside the home, and the "M curve" in female employment was the canonical description of this emphasis. The "M curve" described women's employment patterns from their first entry into the labor force after their terminal educational experience, whether high

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school, junior college or university, to their first retirement for marriage and/or childbearing, to their second entry after their children have entered full time schooling or passed critical educational levels, and finally, to their second withdrawal to care for aging relatives or to retire permanently. This mutually reinforcing pattern, shaped by cultural values and child-care needs, dominated female labor behavior in the 1960s and 1970s.[9]

It is now evident that the "M" is flattening up into a bell curve, and that the dip representing women's time out for childrearing is less marked. Over the past ten years, women between the ages of 25–34 are taking a shorter break in the childbearing years, and 50 percent of working women are not stopping at all. In 1978, 46 percent of the 25–29 age group was at work while now it is 60 percent—and in the 30–34 age group, 47 percent were at work in 1978, and 51 percent are today. These data illustrate both a higher percentage of women *staying* at work, and a delay in childbearing until the early thirties. There is a 2 percent annual rise in the rate of women staying on the job.[10]

Staying means different things. For most, it is a necessity: if they are single past the age of 25, they often prefer not to be dependent on their parents and if married, they often find that their husbands' income is not enough to support a family with high educational and housing expenses. Even those living in company-subsidized housing are financially strapped as they try to save to buy their own homes. For some, they stay because they want to be considered serious workers, good management material in mainstream companies, or because they want to develop a professional identity as academics, designers, architects, writers, and the like. Yukiko took only the briefest of maternity leaves, though she was entitled to more, and while she was breast-feeding her baby, she would run the few blocks home on special dispensation, for a half-hour feeding. Her life may have been frenetic, but her employment curve is a steady line. Blue-collar factory workers[11] tend to stay on the job longer than "office ladies," the pink-collar tea makers, and filers who grace white-collar offices, and who are pressured to leave to get married much more than their production line counterparts.

WOMEN AND MEN

A recent television advertisement for Hitachi's new model of clothes washer epitomizes changes in the public image of the male. This

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double-binned washer has one bin for heavily soiled items. Promotions show a housewife with a pair of long chopsticks, nose wrinkled in distaste, picking up her husband's underwear and tossing it into the heavy duty bin, as her young daughter says, "Let's keep Dad's yucky stuff separate!" ("Poor men," noted a Japanese woman colleague when we discussed this ad, "they are being treated so badly.")

Separate washbins, however, do not mean separate bedrooms. Women may pity men, but at least in the childrearing years, they do not want to dispense with them altogether. In conversations, in the press, including women's magazines, there is little anger expressed against men, and very little advocacy of celibacy or childlessness. The DINK (Double Income No Kids) phenomenon in America, an urban-professional couple's choice for no children, evoked only a brief flare of media attention in Japan. Children are still for women and for men, an *ikigai,* (reason for living) and the choice to marry, which most still make, is almost inevitably a choice for children.

Men themselves, however, have noted great changes. As a Japanese male colleague said to me, "This is a terrible time to be a man." The title of a popular series of films reflects the frustrations of the middle-aged men who make up its primary following: *Otoko wa Tsurai Yo* (It's hard being a man). Television sitcoms and family cartoon shows emphasize the competent woman and the bumbling husband, Dagwood and Blondie images. The disillusion with men some women feel is noted in the "Narita Divorce Syndrome," in which young brides returning from their honeymoons with less than interesting husbands release themselves from their marriages.

Overall, however, the divorce rate in Japan is relatively low—one in twenty marriages as opposed to the American rate of one in two. Women's emotional independence in Japan is not accompanied by full financial independence, nor is it possible easily to have a socially valued life without children.

Emotional satisfaction for many women is not centered on their husbands. Children may give them a sense of purpose, their friends and relatives companionship. Sexual satisfaction may or may not come with marriage, but it is not a pivotal determinant of marital success. By their forties, women whose husbands are frequently absent, who are posted away from home, or who habitually return home exhausted, may have taken on lovers, or found other ways to

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give themselves sexual release. Only when an extramarital relationship gets in the way of family functioning is a woman persuaded to terminate it.

Young women, however, tend to have somewhat more romantic notions than older women, and yet, to an American, their relationships with men seem rather compartmentalized. They wait, on average, until the age of 27 to marry, and these young working women say they want to have fun. They are also, according to one observer, "short term feminists... They live independently, self-sufficiently, take on lovers and have relationships based on equality."[12] There is a conversion, at around the age of 27, to the idea of marriage on their parents' and society's terms, for children, and the security of family (in a country where social security provides very little in old age) but this does not mean a traditional, oppressive family environment. Many insist on not living with in-laws, and on working after marriage.

A competing image of the relationship between men and women is that presented by travel agents and transport companies, hoping to cash in on the affluent retired couple's leisure. The Japan Railway's "Full Moon Pass," for example, a luxury train pass for a week or two's excursion, is only available to middle-aged married couples, who are depicted on posters by elegant graying couples, appearing sexually vital and adventurous. These seem to represent another (perhaps fantasy) option for the woman who otherwise sees her retired husband as "wet fallen leaves" or "a sack of garbage."

Women have other outlets for enjoyment besides travel with other women and chief among these is consumption. Women and teens in Japan are champion shoppers and their search for novelty is matched by their search for quality. Name brand purchasing extends to foreign travel and Parisian shopkeepers, for example, know Japanese women are in town when all the Yves St.-Laurent scarves and Louis Vuitton bags have been sold.

Consumption is not the only activity, as women have passions now for golf and tennis, for other amateur hobbies as well, such as painting and gardening. They pursue none of these activities casually but become single-minded as collectors, creators, and athletes, on their own or with other women. Women's independence of spirit and

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activities seems tied to some degree to their independence from shared activity with men.

The new satisfaction with being female and with asserting separation from men seems now to have less to do directly with the social value given to mothering and the separation of spheres, and more to do with a new definition of the good life. This new idea is a *woman's* definition.

Since the mid 1980s, young Japanese women have had a new, less gender-driven opportunity to consider their life chances: relative to the experiences of their mothers, they have access to a more unisex environment, and an official double standard cannot explain away continuing distinction as it had for their mothers. Distinction must now be called discrimination, and the merging of opportunity has produced a new and critical perspective on the mainstream model of the successful life, to which women now have some access.

Young men, at least in attitude polls, approve of women's new role in the work force and say that they will do more than their fathers at home. "House husbands" do exist in Japan, and fathers can even take child-care leave under a new law that states that either spouse can take a year off for the care of a baby (through June of 1992, however, only three men in Tokyo had done so).

But the *seken,* the watchful presence of the neighborhood, enforcing cultural norms, may influence the man who does chores at home: one father who gave his wife weekend respite time from child-care said that neighbors spread rumors that his wife was lazy. He said, "It seems society—women as well as men—does not forgive a woman who does not take care of children."[13] Women who work outside the home do 90 percent of household tasks as well, with the remaining chores done usually by mothers or mothers-in-law. Domestic equity is an issue for many women. The dual role is exhausting, for anyone, and women who work and maintain a family will have a 200 percent role, until the norms governing men's domestic and work lives change as well. Young men, alerted by women, are beginning to notice the problems for themselves in the lack of variety, options, and social value in the life of the workplace and in the lack of access to children and a domestic role. However, the most telling line in a recent survey of employed men and women's lives is "The wife's

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employment status did not affect the way the husband spent his time."[14]

EFFECTS OF DEMOGRAPHY AND ECONOMY

The recognition of new roles and values for women is related to other shifts: changes in the economy, labor force demographics, and in the law in particular have created new realities and images for both women and men. These new conditions also have forced new realizations about work and family, a new set of work and family values.

First, the shift from reconstruction to boom years to stabilization and recession—has produced changes in labor force needs and opportunities. In the 1980s, the recession produced less certain times for many workers—especially for women. Large manufacturing companies either built offshore plants in countries with cheaper labor, cut back production, or reduced orders from subcontractors. These moves most affected women workers not guaranteed lifelong employment by major producers or subcontractors.

However, by the mid-1980s, the post baby boom demographic shift began to appear as a labor shortage, and in 1990 and 1991, government officials began to express concern at the shrinking birthrate, a product, they said, of women's ambitions outside the home. Employers, however, rather than trying to get women to have more babies, instead include them in their long-term hiring plans for skilled labor; women who stay in the work force, babies or not, have some leverage by which to get better working conditions.

Opportunity, however, still depends on educational credentials and the postwar escalation of a degree-ocracy has left many women without high status options. After the war, women had equal access to university training but, even presently, many are not encouraged to attempt the most prestigious departments, such as economics, in the most prestigious schools. Parents with limited resources spend more on boys than on girls and strongly suggest to girls that going to a four-year, rather than a two-year, college will price them out of the marriage market. Not going to the right schools denies women network connections to the elite mainstream occupational status and preserves a two tiered, gender-based opportunity system—to some extent. Now, however, more women (coming from smaller, more

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affluent families) have been encouraged early to succeed academically and find themselves able, if they choose, to pursue the same track as men. And more say they would not, in any case, stay at home, with the credentials they have achieved.

NEW PATTERNS OF FAMILY LIFE: FROM A MOTHER'S LOGIC TO THE ABSENT MOTHER

Stay-at-home wives in the 1960s and 1970s developed public skills through participation in voluntary associations. Using "a mother's logic,"[15] such women-led organizations would campaign for safety or improvements, such as new playgrounds, focused on children's lives. This extension of the culture of the "separate spheres" to public arenas was for many women a satisfactory way to gain experience in dealing with bureaucracies and public institutions, and indeed led many women to involvement in local politics. What were called the "Madonna Politics" campaigns of 1989, encouraging women to run for local offices reflected this principle as well, mobilizing grass roots support for women well known in their towns and communities. At the national level, 13 percent of the seats in the House of Councillors and 1.4 percent of the seats in the House of Representatives are held by women. A woman, Mayumi Moriyama, was recently appointed chief cabinet officer by former Prime Minister Kaifu.

Many women do go on to develop later career and professional identities along with that of wife and mother. In any case, the *okusan* (housewife, or "woman in the interior") image of the 1950s has long since disappeared, even for women not in the full-time labor force. The duties of the home, in any case, have shrunk, and the small urban apartment outfitted with high technology equipment needs minimal care. Children of preschool age, of course, need much more. The falling birth rate, however, which has greatly alarmed government officials, means that most mothers now have only one or two children—the national average is now less than 1.5 children per household. Of course, "education mamas," during the peak years of the competitive exams to enter good high schools and colleges, devote much of their time to enhancing their children's chances, and many middle-class working women quit work at this time if they have not before.

But even mothers who are "at home" actually are not. As one teenager said, "My mother is always out: she goes to French class in

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the morning, plays tennis or swims in the afternoon, has lunch with her friends, and goes to school and ward meetings later." Another said, "She seems to be enjoying her freedom, going out in the evening, going to the theatre. She doesn't tell us where she's going. . . . Sometimes we can't find her, even when we need her."[16] Moreover, some women with specialized training put it to use in *naishoku,* (part-time, take home work such as copyediting, illustrating, sewing, and translating) or in community activities, such as reporting for the neighborhood newsletter, or evening door-to-door canvassing for marketing research.

There appears, however, to be a new tendency among some mothers to stay out of their children's education race, leaving exam preparation up to schools and cram classes, and noting that the pressure is already too great on their children for them to add further to it.[17] One reason some women opt out of "education mama" activity is their awareness that their children will not in any case be able to make it, in an increasingly stratified educational system. The promise of a meritocracy has eroded, as children with greater family resources behind them can be prepared for the higher status schools more effectively than children of less well-endowed families. Recognizing that without resources to buy extra training, their children have less chance to succeed, and unable to leave work themselves to coach their children, some mothers now yield to the inevitable and rely only on the schools to give their children their occupational futures. A new realism pervades their consciousness.

Class consciousness is a new reality among women in Japan, who as consumers and managers of family budgets in high inflation, are forced to the recognition of the distinction between "haves and have-lesses" in Japan. Women are more aware, then, of pluralism and of the fallacies in the ideology of homogeneity, than are men.[18]

DIVERSITY OUT OF THE CLOSET

Recognition of the different values, workstyles, and goals of women is part of the awareness of diversity that is being forced by realities in Japanese society. The economic and demographic realities are much more complicated than those the mainstream corporate model projects. The salaryman, as described in Abegglen's *The Japanese Factory*,[19] and Vogel's *Japan's New Middle Class*,[20] emerged in the end of the 1950s,

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flowering in the 1960s and early 1970s. Even then, and even in the corporations that established this model, the conditions of permanent full-time employment, and the accompanying ethos of company commitment and loyalty, did not affect all workers.

And even among executives, there has been some range in the reality behind the image, by age, background, and connections. Although educational credentials have been most significant for job placement, they have not completely replaced other background and qualifications not achieved by merit. One's *entry* to a track is often more meritocratically arranged than one's progress along it, and it is understood, for example, that family connections help.

Moreover, most workers have no access to the prerequisites of mainstream corporate life. There is a sharp distinction in work force experiences between the one-third of workers who work for the large corporations and the two-thirds who work for much smaller, less secure, often hand-to-mouth operations. Furthermore, there are striking differences between people by age and historical experience, by region and proximity to urban culture and resources, and by social class in terms of education and financial resources. The notion of a homogeneous culture and society is perpetuated by the flash card image of salarymen in dark suits pouring out of Tokyo's Marunouchi district subways in the morning. Tunnel visions of this sort, however, block out the view from the populous verges where even most men do not conform to uniform models.

More attention is now being given by both American and Japanese commentators to social-class distinctions. While social class has not been discussed much in polite society of Japan in the past, the effects of the extremes of affluence in a general recessionary atmosphere have alerted people to the more glaring examples of relative deprivation. Not everyone is middle class, and recent polls show that people increasingly assign themselves to lower-middle and even to lower class, rather than to middle-middle, as they did a decade ago.[21]

A shrinking labor force also draws society's attention to other kinds of diversity: employers not only will have to take *women* more seriously as full employees, but the hidden diversity of ethnicity will be revealed as well. Workers of Korean descent, workers of formerly segregated but still stigmatized communities, *burakumin*, and foreign guest workers, particularly from Southeast Asia[22] may have to be

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counted among the regular employees of large companies, leaving the informal (and largely uncounted) unskilled labor force. Women from the Philippines are in Japan, often illegally, as unskilled labor, as entertainers and prostitutes. The *yoseba* or day labor "collection" sites are populated often by Korean workers and *burakumin*. At the bottom of the employment and social ladder, such people have tended to be invisible, but when labor force imperatives demand new workers at more "official" levels, marginal people will need to be absorbed or acknowledged. This recognition by employers will accompany community recognition that these people have families and children and the cultural issues of diversity in schools and neighborhoods will have to be addressed. Women, no longer kept to the margins, at least officially, are a kind of test case of Japanese society's capacity to adapt and adjust to diversity which may be more sorely tried by other groups in the near future.

WHAT IS TO BE DONE? A WOMEN'S AGENDA FOR FAMILY AND WORKPLACE

Women continue to draw attention to the life outside the workplace, even as they spend more time at the office. Domestic duties still have intrinsic moral value and make undeniable demands. Just as women seek help in meeting the demands, though, they also continue to seek the value of a family-based identity—they want it all. Chizuko Ueno, professor at Kyoto's Kyoto Seika University, says men must be brought into the home, and the value and burden of both kinds of work maintained by both. She suggests that domestic duties including child-care, care of the sick and elderly, and other chores be shared by men, that institutional support must be provided where families (read: women) cannot provide care, and that the workplace must be "humanized" for both men and women.[23] In an aging society the burden for the care of the elderly falls on the family, as social supports outside the family are few. By the year 2000, 25 percent of the population of Japan will be over 65 years of age, and even though many elderly say they do not want to live with their children, there are few alternatives. For the 95 percent of elderly who are cared for by families, the caregiver is a daughter or daughter-in-law.[24] These women now lobby for a range of measures they feel will improve their ability to give care, and their own lives. These include family

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care leave, information, reduction or modification of work hours, and financial aid. Women's work values are based on the very concrete needs of family.

Responding to the recent publicity surrounding *karoshi* or death by overwork, also called *pokkuribyoo,* or dropping-dead sickness, many women advocate change in work styles and habits for everyone. As many as 10,000 workers each year die from work and stress-related causes and overwork deaths are now covered for family compensation by companies—when stringent criteria are met.[25] The model of work established in postwar reconstruction produced the corporate warrior, who works, drinks and travels to excess, scarcely seeing his family, and corporate women are now subject to some of the same pressures. While some of this effort and pressure may now be obsolete, white-collar workplaces are based on the premise that it is important to *be* there, even with only busy work to do.

Women, no longer "protected" by laws forbidding overtime work, have been quick to note what really occurs among male colleagues: workers often take time off during the day, making up errands to get them out of the office into coffee and pinball shops, to appear again just before 5:00 P.M. when they begin more lucrative overtime hours at their desks. The long hours after they leave the office, spent at bars and *sunakku,* are for *nomunikeshon,* (from *nomu,* to drink and "communication," meaning the work connections made in after-hours drinking sessions). Women who accompany men to the bars are more likely to be office ladies, the pink-collar office workers, along for decoration, rather than female colleagues of the men. Mitsuko Shimomura noted that the pressured hierarchy of work acts as an "inhuman pyramid," exhausting and frustrating for men as well as women.[26]

Women are also aware of the issues of family and workplace that demand change and their ability to lobby for causes has been noted.[27] It is women who, in grass roots organizations, have established "Life Centers," communities for the elderly, special care environments for troubled adolescents and handicapped people, and homes for battered women or impoverished single mothers. It is women, too, who tackle the legal system to permit better conditions for divorced women. As one Japanese corporate foundation head noted, "When

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women come to get support for a cause, you better be prepared with good defenses because they are sure to get it."

WHAT WOMEN WANT, WOMEN GET

What then do women want? Women recognize the problems of the workplace and are willing to break through barriers to change faster than are men, but most women's highest priority is still having and raising children. They also, however, want work that will be paid fairly, that will be flexible and rewarding, and will, in Japanese terms, allow them to be good mothers.

They want more than equality, though only 19 percent believe that they have *that* at the workplace;[28] they want not to be clones of male workers, but they want recognition of the many roles they perform and they lead in discussions of the redefinition of work. What they are demanding are work conditions not unknown in the United States, but seldom implemented anywhere: flex-time work hours, job sharing, company-provided day-care, family-care leave time, and holidays coordinated with school vacations. They cannot be bothered with ideological "family values," and work to create viable realities for family survival and success.

Some workplaces are responsive. The offices of *katakana* professions, jobs in newer fields such as the media, marketing, fashion, and entertainment, (*katakana* is the syllabary used to write foreign words, and these professions are associated with foreign influences), now often reflect women's demands for "humanization," with more flexible schedules and the understanding that work can sometimes be taken home. These offices are sometimes notably female.

Recently women have begun to criticize not just the structure, but the behavior of the male workplace. *Sekuhara* (sexual harassment) is a relatively new term in Japan, and only recently have women come forward to complain about male workers' and employers' behavior toward them. Complaints usually lead to the woman being fired, but the courts are now supporting women who pursue their harassers through the system, even after leaving the company or being fired. Publicizing an incident may be the most powerful tool a woman can use: since her job may in any case be limited and since coming forward may help to set precedent for others, women are beginning to see that they have something to gain and little to lose.

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But that doesn't make it easy: in June 1992, a city assembly member collapsed from stress and exhaustion when she was reprimanded and asked to apologize for going public with a harassment accusation. The assembly's disciplinary panel withdrew its request for her apology after she was hospitalized. Her victory in court was mixed, however, for the court had found her harasser guilty, but had decided not to pass a sentence on him since he had already "suffered enough social punishment."[29]

Women have also recently campaigned to keep their own names after marriage. The right to do so is complicated in Japan by the household registration system, or *koseki.* A person is officially counted as a member of a family, not as an individual. To register a marriage, only one name can be used, and although it is perfectly legal for the husband to take the wife's name, it is seldom done. Without registration, it is difficult to get a passport, take out a loan, claim benefits for children or get a government research grant. It is not legal sexism, per se, but the outcome is difficult for a career woman who has built up a professional identity and clientele under her maiden name. There are now a few companies permitting women to use their maiden names, at least at the workplace, but the government bureaucracies still enforce the old *koseki* principle. This is not a major issue for most women, with only 25 percent in a recent poll saying that they would keep their own names if permitted.[30]

Bringing women's issues at the workplace into focal position for wider change has made women prime movers in Japanese society. Beginning as outsiders they have little to lose from being different, or from trying specialist strategies, such as that of an "international or foreign expert" that would marginalize men who conventionally prefer a generalist identity in their quest for status. What they still lack are security and institutional support—the benefits of "permanent employment" and seniority-based raises and promotions.

The classic bureaucratic pyramid of the workplace has become vulnerable for several reasons: its base has eroded with the shrinking of the labor force, its needs have changed from the committed company man to the creative individual, and its relationship to the other requisites of life and society—family, children, leisure, health—has been called into question. While the company man, the man married to his job, has not disappeared, planners and personnel managers begin to recognize that he has other contexts and demands,

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and that much of their future human resource planning must take a broader vision of the employee.

The real and apparent changes in Japanese society and the recognition of existing conditions that have been buried by consensus and ideology would have to have been acknowledged sooner or later: the appearance of women at this time in the male work force has meant more than liberation and equality for women, more than the destruction of cultural preferences for gender based social value.

The view of Japanese women from the perspective of family and employment data—"women's issues" in American terms—may make them look as if they were "behind" in female liberation, but in the leverage that they have to change *all* of society, they may be ahead. Japanese women are articulating issues that affect both men and women. The value placed on family in Japan may appear to hold women back, but it also empowers the family: there is less need for an ideology of "family values" if family is truly supported by society. In spite of the fact that women in Japan appear to participate more in the consumer market than do women anywhere, their arrival in the single-track occupational ladder has given them a new perspective on role and opportunity in mainstream society, and they do not like what they see. Women in Japan are now in a position to form a powerful critique of a modern capitalist agenda that appears to threaten valued aspects of family life and their actions may effectively call into question not just women's lot, but the basis of society itself.

ACKNOWLEDGMENTS

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Tony Judt

The Past is Another Country: Myth and Memory in Postwar Europe

Fifty years after the catastrophe, Europe understands itself more than ever as a common project, yet it is far from achieving a comprehensive analysis of the years immediately following the Second World War. The memory of the period is incomplete and provincial, if it is not entirely lost in repression or nostalgia.

—Hans-Magnus Enzensberger

FROM THE END OF WORLD WAR II until the revolutions of 1989, the frontiers of Europe and with them the forms of identity associated with the term "European" were shaped by two dominant concerns: the pattern of division drafted at Yalta and frozen into place during the Cold War, and the desire, common to both sides of the divide, to forget the recent past and forge a *new* continent. In the West this took the form of a movement for transnational unification tied to the reconstruction and modernization of the West European economy; in the East an analogous unity, similarly obsessed with productivity, was imposed in the name of a shared interest in social revolution. Both sides of the divide had good reason to put behind them the experience of war and occupation, and a future-oriented vocabulary of social harmony and material improvement emerged to occupy a public space hitherto filled with older, divisive, and more provincial claims and resentments.

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In this article I want to propose some reflections upon the price that was paid for this deliberate and sudden unconcern with the immediate European past and its replacement by "Euro-cant" in its various forms. I shall argue that the special character of the wartime experience in continental Europe, and the ways in which the memory of that experience was distorted, sublimated, and appropriated, bequeathed to the postwar era an identity that was fundamentally false, dependent upon the erection of an unnatural and unsustainable frontier between past and present in European public memory. I shall suggest that the ways in which the official versions of the war and postwar era have unraveled in recent years are indicative of unresolved problems which lie at the center of the present continental crisis—an observation true of both Western and Eastern Europe, though in distinctive ways. Finally I shall note some of the new myths and mis-memories attendant upon the collapse of communism and the ways in which these, too, are already shaping, and misshaping the new European "order."

THE PAST IS ANOTHER COUNTRY

World War II was a very particular, and in certain respects novel experience for most Europeans. It was in the first place horribly, unprecedentedly destructive, especially in its final months. In particularly devastated countries like Yugoslavia, approximately 66 percent of all livestock, 25 percent of all vineyards, most railway rolling-stock, and all major roads were destroyed. Western countries too suffered terrible material loss—during the fighting of 1944–1945, France lost the use of some 75 percent of its harbors and railyards and half a million houses were damaged beyond repair. Even unoccupied Britain is calculated to have lost some 25 percent of its entire prewar national wealth as a result of the war.[1]

But the scale of material destruction pales in comparison with the human losses, in Central and Eastern Europe in particular. There is no need here to go through the familiar statistics of death, suffering, and loss. On the one hand, the human cost has to be calculated on an industrial basis, so efficient was the machinery of extermination elaborated and operated by Germans and their associates; on the other hand, the war saw an unanticipated return to older terrors—in the weeks following the Soviet army's capture of Berlin some 90,000

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women in the city sought medical assistance for rape. In Vienna, the Western allies recorded 87,000 rape victims in the three weeks following the arrival of the Red Army. From the Volga to the Elbe, World War II constituted an experience whose special combination of efficiency, fear, violence, and deprivation was comparable to nothing in local memory (though Armenians and Spaniards had been afforded a brief foretaste in earlier years).

However, the Second World War was not the same for everyone. Some places had quite a "good" war, at least until the very last months. Bohemia and Moravia, for example, did relatively well under Nazism, favored for their natural and industrial resources, their skilled and pliant workforce, and their proximity in manner and outlook (if not race) to their German neighbors. Most Czech workers and peasants were coddled by the Germans, securing high wages, full employment, good rations and so forth—only resisters, Communists and Jews, here as elsewhere, were seriously at risk and exposed to the constant threat of harassment, loss, and deportation. Slovaks and Croats finally got their own "independent" states, albeit run by collaborators, and many were pleased with the achievement. Germans and Austrians suffered badly only towards the latter part of the war, their economies sustained until then by the forced extraction of materials and labor from the occupied territories. Even France, perhaps especially France, did not do so badly—most of French wartime losses and some of the worst acts of collective punishment came only after the Allies landed (which accounts for mixed French memories on that subject). Overall, it was clearly not good to be a Jew, a Gypsy or a Pole in World War II, nor was it safe to be a Serb (in Croatia), a Russian (until 1943) or a Ukrainian or German (after 1943). But if one could stop the clock in, let us say, January 1944, most of occupied Europe would have had little of which to complain by contrast with what was about to come.

Another way of putting this is to say that most of occupied Europe either collaborated with the occupying forces (a minority) or accepted with resignation and equanimity the presence and activities of the German forces (a majority). The Nazis could certainly never have sustained their hegemony over most of the continent for as long as they did, had it been otherwise: Norway and France were run by active partners in ideological collaboration with the occupier; the Baltic nations, Ukraine, Hungary, Slovakia, Croatia, and Flemish-

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speaking Belgium all took enthusiastic advantage of the opportunity afforded them to settle ethnic and territorial scores under benevolent German oversight. Active resistance was confined, until the final months, to a restricted and in some measure self-restricting set of persons: Socialists, Communists (after June 1941), nationalists, and ultramonarchists, together with those, like Jews, who had little to lose given the nature and purposes of the Nazi project. Such resisters were often resented, opposed, and even betrayed by the local population either because they brought trouble by attracting German retaliation, or else because the indigenous ethnic and political majority disliked them almost as much as the Germans and were not unhappy to see them hunted down and removed.

Not surprisingly, then, the war left a vicious legacy. In the circumstances of the liberation, everyone sought to identify with the winners—in this case the Allies and those who had sided with them before the final victory. Given the nature of the war, which by its end had mutated into a whole series of brutal local civil wars, it was for most Europeans a matter of some urgency that they emerge on the correct side. This in turn entailed distinguishing and distancing oneself from those who had been the enemy (within and without), and since the actions of this enemy had been without precedent in their brutality and scale, there was universal agreement that it should be punished. Even those like Albert Camus who came to doubt the possibility of identifying "war criminals" with any accuracy or justice recognized the emotional and political necessity of such a judicial purge and retribution. The question was who and how.[2]

At this point we leave the history of the Second World War and begin to encounter the myth of that war, a myth whose construction was undertaken almost before the war itself was over. Everyone had an interest in this affair, the context of which ranged from private score-settling to the emerging international balance of world power. Indeed, it was the years 1945–1948 which were the moment not only of the division of Europe and the first stage of its postwar reconstruction but also, and in an intimately related manner, the period during which Europe's postwar memory was moulded.

THE EUROPEAN WARTIME EXPERIENCE

There is space here to note only briefly the factors which contributed to the official version of the wartime experience which was common

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European currency by 1948. The first was the universally-acknowledged claim that responsibility for the war, its sufferings and its crimes, lay with the Germans. "They" did it. There was a certain intuitive logic to this comforting projection of guilt and blame. After all, had it not been for the German occupations and depredations from 1938 to 1945, there would have been no war, no death camps, no occupations—and thus no occasion for the civil conflicts, denunciations, and other shadows which hung over Europe in 1945. Moreover, the decision to blame everything on Germany was one of the few matters on which all sides, within each country and among the Allied powers, could readily agree. The presence of concentration camps in Poland, Czechoslovakia, and even France could thus readily be forgotten, or simply ascribed to the occupying power, with attention diverted from the fact that many of these camps were staffed by non-Germans and (as in the French case) had been established and in operation before the German occupation began.[3]

Moreover, this focus upon Germany made it possible to resolve by neglect certain tricky subjects such as the postwar status of Austria. Beginning with the Moscow Declaration of 1943, Austria was established as the "first victim" of Nazi aggression, something which suited not only Austrians but also the prejudices of someone like Churchill, for whom Nazism was a natural extension of Prussian militarism and expansionist ambitions.[4] If *Austria* was guiltless, then the distinctive responsibilities of non-German nationals in other lands were assuredly not open to close inspection. Hence the achievement of Nuremberg, where *German* guilt was in turn distilled into a set of indictments reserved exclusively for German *Nazis,* and then only a select few. This was a matter of some concern to the Soviet authorities involved in the war crimes trials; they wished to avoid any discussion of broader moral and judicial questions which might draw attention to the Soviet Union's own practices, before and during the war. That the Nuremberg trials served an important exemplary and jurisprudential function is beyond doubt; but the selectivity and apparent hypocrisy with which the Allies pursued the matter contributed to the cynicism of the postwar era, while easing the consciences of many non-Germans (and non-Nazis) whose activities might easily have been open to similar charges.

Next there was the issue of de-Nazification. Within a very short time after the Liberation it became clear that Germany (and Austria)

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could not be returned to civil administration and local self-government, even under Allied supervision, if the purging of responsible Nazis was undertaken in a sustained and consistent manner. Moreover, the local Social-Democratic and Christian Democratic parties in both countries could not be expected to ignore the votes of former Nazis, once they were allowed to reenter public life; thus the 1948 amnesty in Austria, which returned their full civil rights to some 500,000 former registered Nazis, inevitably resulted in a sort of instant amnesia, whereby all sides agreed that these men and women were henceforward no different from the rest. Even the remaining "more incriminated" Nazis, some 42,000 of them, were nearly all amnestied within the following seven years, as the Western Allies sought to minimize the risk of alienating Austrians and Germans from the Western bloc through any excessive emphasis upon their past and its price. In a process that would have been all but unthinkable in 1945, the identification and punishment of active Nazis in German-speaking Europe had effectively ended by 1948 and was a forgotten issue by the early 1950s.

The association of wartime responsibility with Germans, and of Germans with Nazism, sat all the more comfortably with non-German nations in that it provided a context and an excuse for a "final solution" to the nationality problem in continental Europe. Woodrow Wilson and the treaties of Versailles notwithstanding, the 60 million Europeans living under an "alien" jurisdiction in 1914 had not all achieved self-determination after World War I: there were still some 25 million persons living in "someone else's state." The Nazi occupation had gone some way to resolving this perennial European problem by killing most of the Jews and some of the smaller stateless groups. After the war, the liberated states took the occasion to further this process by removing the Germans themselves. As a result of the shifting of Poland's frontiers agreed at Potsdam, the expulsion of the *Volksdeutsche* from the Balkans and the collective punishment visited upon the Sudeten Germans, some 15 million Germans were expelled in the postwar years: 7 million from Silesia, Pomerania, and East Prussia; 3 million from Czechoslovakia; nearly 2 million from Poland and the USSR; and a further 2.7 million from Yugoslavia, Romania, and Hungary. After some 2 million died in flight or during the expulsions, the majority ended up in Western Germany (especial-

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ly Bavaria), where as late as 1960 some 28 percent of the Federal government employees were *Vertriebene* (expellees).[5]

Beyond its significance for postwar German domestic politics (which were considerable), this process had a marked impact upon the states whence these Germans came. Poland and Hungary (as well as Western Germany itself) now became ethnically homogenous states as never before. Others felt free to indulge in further exercises in ethnic purification: the Czechs especially took the opportunity to expel or transfer hundreds of thousands of ethnic Hungarians from Slovakia (in some cases forcing them to occupy the vacated Sudeten regions), the liberal Benes announcing the day after his country's liberation that Czechs and Slovaks "did not want to live" in the same state as Germans and Hungarians.[6] It might be thought that such actions, and the sentiments they reflected and aroused, would have caused misgivings in a Europe so recently liberated from similarly-motivated collective miseries brought upon the continent by the occupier. On the contrary: a clear and quick distinction was made between the sorts of collective violence and punishment visited on these lands by German war criminals, and the mass, racially-motivated purges represented by these expulsions and undertaken by freely-elected or newly-liberated national authorities.

Two sorts of memories thus emerged: that of things done to "us" by Germans in the war, and the rather different recollection of things (however similar) done by "us" to "others" after the war (taking advantage of a situation the Germans had obligingly if unintentionally made possible). Two moral vocabularies, two sorts of reasoning, two different pasts. In this circumstance, the uncomfortably confusing recollection of things done by us to others *during* the war (i.e., under German auspices) got conveniently lost.

It was in these circumstances that the "Resistance" myth emerged. If there was to be a reference point in national memory for the years between 1939 and 1945 it could only be the obverse of that now firmly attached to Germans. If Germans were guilty, then "we" were innocent. If guilt consisted of being German or working for Germans and their interests—and it could hardly be denied that in every occupied country such persons had been present and prominent—then innocence had to mean an anti-German stance, after 1945 but also before. Thus to be innocent a nation had to have resisted, and to have done so in its overwhelming majority, a claim that was perforce

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made and pedagogically enforced all over Europe, from Italy to Poland, from the Netherlands to Romania. Where the historical record cried out against this distortion—in France, in Italy where the anti-Fascist resistance came late and was confined to the North, in the Netherlands where grossly exaggerated accounts of heroic farmers rescuing downed British airmen became part of the postwar national mythology—national attention was consciously diverted, from the very first postwar months, to examples and stories which were repeated and magnified ad nauseam, in novels, popular histories, radio, newspapers, and especially cinema.

POSTWAR MYTHMAKING

It is understandable that former collaborators, or even those who simply sat it out, should have been happy to see the wartime tale thus retold to their advantage. But why did the genuine resisters, who in most cases were also those in power in the immediate postwar years, agree to retouch the past thus? The answer is twofold. In the first case, it was necessary somehow to restore a minimal level of cohesion to civil society and to reestablish the authority and legitimacy of the state, in countries where authority, trust, public decency, and the very premises of civil behavior had been torn down by totalitarian government and total war. Thus de Gaulle in France, de Gasperi in Italy, and the various Communist-dominated National Front governments in Eastern Europe all found it necessary to tell their citizens that their sufferings had been the work of the Germans and their handful of traitorous collaborators, that they had suffered and struggled heroically and that their present duty, the war now over and the guilty suitably punished, was to address themselves to postwar tasks, place their faith in constitutional regimes, and put the war behind them. Seeing little option but to concur, the domestic resistance movements abandoned their plans for radical domestic renewal and went along with the priority accorded to the search for stability even if (as in the Italian case) it entailed signing the Rome Protocols of November 1944 which effectively secured the continuity of the Fascist state apparatus into the postwar era.[7]

Secondly, the Communists, whose agenda was of course distinctively different from that of their allies in the domestic resistance, nevertheless had reasons of their own to recast the wartime record of

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their fellow citizens in their own heroic image. In the West, they could hope to capitalize on their war record by claiming to have spoken for the nation in its time of trial, and thus seek the authority to speak for it still. For that reason the Parti Communiste Français (PCF) in France or the Partito Communista Italiano (PCI) in Italy had no objection to exaggerating the resistance record of the mass of the French or Italians, so long as they could themselves inherit the benefits of this illusion at the voting booth and in the national memory. It was thus ironically appropriate that it should be Togliatti, the Italian Communist leader, who drafted the 1946 amnesty which ended the foreshortened and selective postwar Italian purges.

In the East, where communism everywhere except in the special cases of Yugoslavia and Albania had returned to the country not through the heroic efforts of the local resistance but in the baggage train of the Red Army, the Communists had an interest in flattering the recalcitrant local population by inviting it to believe the fabrication now deployed on its behalf by the USSR—to wit, that Central and Eastern Europe was an innocent victim of German assault, had played no part in its own downfall or in the crimes perpetrated on its territory, and was a full partner in the work of liberation led by Soviet soldiers abroad and Communist partisans at home. This story, which found its way into forty years of school texts in the "Peoples' Democracies" was actually even less credible than the fibs being told in Paris and Rome, and few in Central and Eastern Europe believed it, even among those who had strong motives to do so. But since no one had an interest in denying it—and within two years to do so was anyway no longer possible—the story took root.

Moreover, the Communists' emphasis in Eastern Europe upon identifying and punishing those few "traitors" who had betrayed the otherwise heroic local people offered them the occasion to indict, try, and imprison or execute a lot of people whom they feared might impede their path to power. Thus in January 1945 "Peoples' Courts" were set up in Hungary to try war criminals. Initially these functioned with reasonable integrity, but later the crimes of "sabotage" and "conspiracy" were added to their remit, with somber consequences; something similar happened in Romania and especially Bulgaria, where the Fatherland Front settled postwar scores with thousands of real or potential political rivals, making no distinction between pro-German, pro-Western, and anti-Communist candidates for pun-

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ishment, all in the name of the nation and its wartime sufferings. Meanwhile the construction of war memorials was undertaken, all of them with the same pedagogical message: the Second World War had been an "antifascist" war in which the Nazi-Germans had served capitalist and imperialist ends and been opposed by the undifferentiated "people" whose lands they occupied. Atrocities were described as perpetrated by "fascists" (foreign and domestic) against the local population, and no mention was *ever* made of the sufferings of national, ethnic or religious minorities, whether at the hands of Russians (of course), the local population or even the Germans themselves. This process reached its purest form in the officially-approved version of the wartime experience and postwar character of *East* Germany, a land of workers and peasants hitherto oppressed by and now liberated from a handful of Nazi-capitalists from the West.

That is why, in East and West alike, the process of punishment and purge which was supposed to hand down justice upon criminals and collaborators in the postliberation era was so partial and aborted. The issue was of course inherently complicated and paradoxical: how do you punish tens of thousands, perhaps millions of people for activities which were approved, legalized, and even encouraged by those in power (in the case of Vichy France, the heirs to a constitutionally-elected parliament)? But how do you justify leaving unpunished actions which were manifestly criminal even before they fell under the aegis of "victors' justice?" How do you choose whom to punish and for which actions? Who does the choosing? At what precise moment is a purge sufficient to meet elementary demands for justice and revenge, and not yet so divisive as to damage still further an already-rent social fabric? The point I wish to make here is simply that under almost any conceivable good faith response to these questions the postwar response proved tragically inadequate.[8]

Most of the acts of retributive punishment which took place in this period happened before the countries in question had been liberated, or else at the very moment of that liberation, as German authority lapsed and new powers had yet to be installed. Of the approximately 10,000 summary executions in France which marked the transition from Vichy to the Fourth Republic, about a third were carried out before D-Day and a further 50 percent during the battles of the following weeks. Similarly in Italy, most of the 12–15,000 persons shot for fascist or collaborationist activities at this time were dealt

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with before or during the weeks of final Liberation. In other words, the majority of the most severe "punishments" meted out for wartime activities were completed *before* formal or official tribunals had been set up to pass judgment.[9] The same is true in Eastern Europe (Yugoslavia included) where partisan score-settling was the primary form of semiofficial retribution for collaboration and war crimes.[10]

Thus at least two of the functions of retributive jurisprudence—the administration of natural justice and the canalization of private violence—had been coopted and largely dispatched before legitimate postwar institutions came into force. What remained were the establishment of public security to protect new political institutions, symbolic acts of justice to legitimize the new authorities, and public words and deeds designed to shape and circumscribe the moral regeneration of the nation. Here the postwar European experience of justice was universally unsuccessful and inadequate. Of de-Nazification I have already spoken. But even when it came to dealing with serious criminals, the exercise was half-hearted. The Austrian and French instances are exemplary (the Eastern European experience was distinguished by the abuse of court procedures already noted). In Austria, 130,000 persons were investigated for war crimes; of these 23,000 were tried, 13,600 found guilty, 43 sentenced to death (about the same number as were condemned to death in Denmark), and 30 actually executed. In France, 791 death sentences were carried out, of the 2,640 passed by the courts. More telling were the overall figures: whereas in Norway, Belgium, and the Netherlands the number of persons sentenced for collaboration varied between 40 and 64 per 10,000 inhabitants, in France the numbers were just 12 per 10,000.[11]

In both France and Austria, then, the emphasis was clearly placed upon the need to reduce to the minimum the number of convictable and convicted persons, reserve for this select few a sort of symbolic and representative function as criminals and traitors, and leave the rest of the social fabric untouched or, where this was not possible, to repair the damage as soon as possible through a process of benign collective neglect.[12] It should also be noted that in many countries those who were in the end punished were more likely to have been chosen for the egregious nature of their activities—the record left by their writings—or for their prewar prominence than for the extent or

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consequences of their actions, a basis for selection which did not pass unnoticed and helps account for the public skepticism of the era.[13]

In Italy, where the matter was further complicated by the need (or, rather, the inability) to come to terms with not just war and occupation but twenty years of domestic fascism, the purges and retribution which followed the initial bloodletting of the Liberation were almost cynically inadequate. Membership in the Fascist Party having been obligatory for Italian civil servants, it was simply not possible to undertake a thorough and consistent purge of the government and administration of the country. Instead, nothing was done. As late as 1960, 62 of the 64 prefects of the Republic had been functionaries under Fascism, as was also true of *all* 135 police chiefs! Whether something different was possible in the difficult circumstances of Italy, France or Austria in 1945–1947 is unclear.[14] But what *is* clear is the result of these murky transactions: for most of the population, and especially for those whose own wartime record was ambivalent, the apparently random and ultimately benign exercise of justice after the war made it all the easier to forget, and to encourage others to forget, the circumstances and actions which had marked the fascist and occupation years.

The last point to note in the context of the postwar years concerns the international arena. With the exception of a series of imposed agreements with minor belligerents, signed in Paris in 1946, the Allies never resolved their postwar dealings with former enemy states by any final peace treaty. In contrast with the experience after World War I, World War II petered out in a string of ever more contentious and unproductive meetings of Foreign Ministers, culminating in those of 1947 and 1948 in Paris, Moscow, and London which saw an end to the wartime Allied collaboration and the onset of the Cold War. The main issue was of course disagreement over the division of Germany; the formal creation of the Federal Republic and its Eastern *doppelgänger* in 1949 was thus the effective end of the immediate postwar era, with the Western Allies nonetheless waiting until July 1951 to declare that their "state of war" with Germany was now over. The significance of the absence of any peace treaty of the kind traditionally signed after major European conflicts was this: World War II lost its original and particular meaning as a struggle between Germany and its Allies and became instead a sort of bloody prelude to other arrangements and new confrontations, a situation which

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produced different configurations and thus further confused an already obscure memory of the war itself.

Thus Western Europeans, having begun the postwar era by thrusting all responsibility for the war upon Germany found themselves in a short period of time having to think of Germany, or at least some part of Germany, as an ally in a different sort of struggle whose meaning could not easily be related to that which had been given to the war. In Eastern Europe a war of national liberation from Germans became the overture and starting point to a domestic revolution which forced inhabitants of the region to describe the wartime years in a way which made no sense and could only be achieved by an act of voluntary amnesia. It was necessary to forget everything one had known not only about Germans and Russians and Americans, but also about one's neighbors, one's friends, and even oneself. A peace treaty would not, of course, have changed this outcome very much if at all. But it would have ended the Second World War and thus given it a distinctive framework, in time and in memory. Until such a treaty came along, Europeans (governments and people alike) postponed any collective effort to come to terms with the memory of the war it would have rounded out. When it never happened, they simply left the matter unresolved, buried, neglected, and selectively forgotten.

Up to this point, I have treated the experience of East and West Europe as one. Despite the obvious differences in the wartime and postwar history of Europe's two halves, in the respects relevant to this paper they had much in common. But from 1948 their histories diverge in ways which are also directly pertinent to the theme of memory and national mythology. Only in the later process of recollection and awakening do their paths again converge. From 1948 the Western nations of Europe waved goodbye to the immediate past and embarked on the "European adventure" to which their national energies and prospects have been officially attached ever since (with the exception of Britain, for whom the story begins distinctly later, for reasons not unconnected with its good fortune in missing the sorts of experiences continental Europeans were in a hurry to forget). In the course of this new-found Europeanism, Western Europeans settled for some twenty-five years into a comforting "collective amnesia" (the phrase is Enzensberger's), resting

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their half of the continent on a number of crucial "foundation myths."[15]

These myths were in essence the obverse of the wartime and postwar histories noted above. They required common acceptance of the claim that Nazism was a strictly German phenomenon, that Western Germany had been effectively de-Nazified, and that those who ought to be punished had been, with certain notorious individual exceptions. France's Vichy interlude was treated as an aberration in the national history, brought about by the circumstances of war and occupation and foisted on an unwilling country by the treasonable activities of a minority. Italy's experience with Fascism was left largely unrecorded in public discussion, part of a double myth: that Mussolini had been an idiotic oaf propped into power by a brutal and unrepresentative clique, and that the nation had been purged of its Fascist impurities and taken an active and enthusiastic part in its own liberation. Norway, Denmark, the Netherlands, and Belgium were accorded full victim status for their wartime experience, and the active and enthusiastic collaboration of some Flemings and Dutch was stricken from the public record. Austria, returned to full independence in the 1955 State Treaty, extracted from the Allies an agreement to relieve it of any responsibility for its years under Nazi rule, and thereby relieved its citizens in their turn of any last remaining need to remember those years or the enthusiasm with which *all* sides (many Social-Democrats included) had greeted the idea, if not the reality, of *Anschluss*.[16] Sweden and Switzerland too managed to share in this "Era of Good Feelings," of Franco-German reconciliations and economic miracles, purged of any vague abiding memories of Sweden's economic dealings with wartime Germany and the Swiss insistence on distinguishing Jews from non-Jewish Germans and returning the former to the Nazis whenever they attempted to make their way across the border.[17]

It is not easy today to recall this particular Europe, the one which held sway from the Marshall Plan into the early 1970s. It, too, is another country. It was characterized by an obsession with productivity, modernity, youth, European economic unification, and domestic political stability. Symptomatically, it was largely the creation of politicians who came from the geographical margins of their respective nations—Schumann, de Gasperi, and Adenauer—and who encouraged their more typical countrymen to think beyond their

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traditional terms of national and local reference.[18] While the accumulation and relatively radical redistribution of wealth and services displaced national traumas and unhappy memories, the idea of "Europe" was refurbished as a substitute for the sorts of national identifications which had caused such wounds in the recent past. I say "refurbished" because the notion of a united Europe was not new. The very phrase "Etats-Unis d'Europe" was first used in the Paris journal *Le Moniteur* as early as February 1848, and the concept of a European identity had in fact flourished in certain circles during the interwar decades and in the war itself. But the problem was that it was the Right, specifically the fascist Right, which had made much play with the idea in that time, contrasting a new European order with the anarchic and febrile democracies of the liberal era, and proposing it as a bulwark against the imperialist challenge of the "Anglo-Saxon-Jewish plutocracies" which threatened the old continent from the West and the "Judeo-Communist-Slavic" danger from the East. Thus after 1945 "Europe," too, remained to be invented, benefiting from a line drawn under the past and dependent for its credibility upon a refusal to acknowledge its own provincial, defensive, and exclusive roots.

THE STORIES UNRAVEL

The revenge of history has been slow, and remains partial. For many years the teaching of modern history in West Germany did not pass beyond Bismarck, and it is well-known that the French government refused for more than a decade to allow Marcel Ophul's film, *Le Chagrin et la Pitié,* to be shown on national television. But in both France and Germany a new generation began to ask embarrassing questions, prompted in Germany especially by the series of trials of concentration camp administrators held in the years 1963–1965. These, together with the trial in Jerusalem of Adolf Eichmann, in turn prompted the passage in France, on December 26, 1964, of a law making crimes against humanity imprescriptible.[19] Despite this evidence of a growing concern with the crimes committed in France under the auspices of the German occupation, it was often left to foreign scholars to raise and investigate the hard questions; the "Vichy Syndrome" described so well by Henry Rousso (himself born in 1954), which can stand for similar historical mystifications

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throughout Western Europe, has only really begun to unravel in the last few years.[20]

The forms of that unraveling have been various. In France, and to a lesser extent in the Netherlands and Belgium, it has been the work of professional scholars working in relative obscurity, their conclusions and evidence surfacing into the public realm only when a particularly egregious case—those of René Bousquet, Maurice Papon, and Paul Touvier in France being the best-known—caught the headlines.[21] In Germany the *Historikerstreit,* a much publicized argument among professional historians over the proper way to interpret and contextualize the Nazi years, did not so much reveal new material about Nazism (for the reasons noted earlier the sins of the Germans had been widely advertised) as open for the first time a discussion of the relative status of Nazism in the context of other contemporary state crimes, notably those of Stalin's Soviet Union.[22] In Austria it took the presidential candidacy and election of Kurt Waldheim to shake the nation (or some of it) from its historical complacency, the widely-held opinion that 1945 was "Year Zero" in Austrian history, with all that preceded it dismissed as being of no consequence.[23]

The common theme of these uncomfortable revelations and discussions has been the degree of *refoulement,* of public and private denial, upon which democratic Western Europe was reconstructed. Older Europeans still cling to this alternative past—polls in France suggest that the majority of persons over the age of 50 would rather the matter just went away and cannot wait for Touvier and his like to die and be buried along with their crimes. They see little benefit in rehashing the atrocities committed by Vichy even when they themselves bear no possible personal responsibility for them. In Austria, the Waldheim experience has exacerbated the generation gap: in a March 1988 poll, Austrians under the age of 30 were evenly divided on the question of whether Austria was a victim of the *Anschluss* or its accomplice, whereas for those over the age of 50 the status of victim was selected by nearly twice as many as those who assigned blame.

A further element in the opening up of the past has been the steady decline of communism. Once the French and Italian Communist Parties lost their stranglehold upon some of the electorate and much of the political imagination of their countries, it became easier to ask

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hard questions about their role in the Resistance and the real dimensions of the latter itself. Now that everyone is jumping on this bandwagon and a virtual subdiscipline of critical Resistance historiography has emerged, it is sometimes difficult to remember that until just recently the dispassionate analytical studies of historians like Claudio Pavone or Henry Rousso would have been unthinkable—and in certain circles unpublishable. It is a curious irony that it should be the decline of the anti-fascist Left which makes it possible to acknowledge the true dimensions of domestic fascism and collaboration in an earlier era. Yet there is some logic in this: few in France wished to acknowledge the elements of continuity between Vichy and the preceding and subsequent republics, both because of the implicit downgrading of the "break" of 1945 and the apparent "normalizing" and relativizing of the Vichy years that such an acknowledgement might entail.[24] Similar constraints impeded close attention to continuities in modern Italian history, not to mention the sort of study of Mussolini's true place in the Italian imagination recently published by Luisa Passerini.[25]

Because so much of this troubled and troubling renegotiation with the past is directed towards the public rather than the scholarly community (few of the debates alluded to above have added much to our knowledge of past events, any more than the seminal impact of the *Gulag Archipelago* depended upon the new information it imparted, which was minimal), it has had its most important impact only in the countries directly concerned. Foreign, especially British and American, interest has been occasional, selective, and perhaps just a little *schadenfreudlich*. But even in France, Italy, and Western Germany the impact of the newly-acknowledged past, bubbling its half-digested way back into the throats of politicians and journalists whose real attention is elsewhere, has been as nothing compared to the dramatic implications of the recovery of memory in Central and Eastern Europe.

If the problem in Western Europe has been a shortage of memory, in the continent's other half the problem is reversed. Here there is too much memory, too many pasts on which people can draw, usually as a weapon against the past of someone else. Whereas the West European dilemma was confined to a single set of unhappy memories located in the occupation years 1940–1944/45, the East Europeans have multiple analogous reference points: 1918–1921, 1938, 1939,

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1941, 1944, 1945–1948, 1956, 1968, and now 1989. Each of these moments in time means something different, and nearly always something contentious and tragic, to a different nation or ethnic group, or else to succeeding generations within the same group. For Eastern Europeans the past is not just another country but a positive archipelago of vulnerable historical territories, to be preserved from attacks and distortions perpetrated by the occupants of a neighboring island of memory, a dilemma made the more cruel because the enemy is almost always within: most of these dates refer to a moment at which one part of the community (defined by class, religion or nationality) took advantage of the misfortunes of another to help itself to land, property or power. These are thus memories of civil wars, and in a civil war the enemy is still there once the fighting stops—unless some external agency has been so helpful as to impose a final solution.

The coming of communism seemed to put an end to all this. Soviet power appropriated national myths for its own ends, banned all reference to uncomfortable or conflictual moments save those which retroactively anticipated its own arrival and enforced a new "fraternity" upon the Eastern half of Europe. But it did not just abolish the past, of course, it also reinvented it. We have already seen how and why Communist regimes inflated the myth of wartime antifascist resistance. More subtly, the Communists deemphasized the revolutionary nature of Nazi occupation—the fact that Eastern Europe's social revolution, completed under the Soviet aegis after 1947, was in fact begun by the Germans, sweeping away old elites, dispossessing a large segment of the (Jewish) urban bourgeoisie, and radically undermining faith in the rule of law. But the historical reality, that the true revolutionary caesura in modern Eastern European history came in 1939 and not 1945, could not be acknowledged. The continuities between Nazi and Soviet rule were necessarily denied and the alternative myth of revolutionary *postwar* transformation took their place.

From Bulgaria to Poland this process was more or less similar. In East Germany a special national history was conceived, whose emphases varied with the needs of Soviet foreign policy, but whose consistent impact upon the local population was disastrous. After initially aggressive pursuit of de-Nazification, the Communists reversed their strategy and announced to the East Germans that their

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own history was unsullied. Meanwhile significant numbers of low-ranking Nazis pursued their careers in police and bureaucracy under the new regime. East Germans, all too knowledgeable about their real past and the initially violent way in which the Russians had extracted revenge for it, were now invited to sit back in officially-mandated approval while the essential characteristics of the Nazi state apparatus were reconstructed before their eyes. The consequences of what Peter Schneider has called the "double zombification" of East Germany are now clear to all.[26]

The silence which fell across Eastern Europe was unbroken for forty years. The revolts of 1956 and the reforms of 1968 did not crack this frozen past; on the contrary, the memory of them, and the fact that it could not be acknowledged except mendaciously, added to the strata of public mythology. In private many people of course scorned the official version of the past; but having only their personal or communal recollection to put in its place and pass onto their children, they contributed inadvertently to the double crisis of history which now afflicts Eastern Europe. On the one hand, cynicism and mistrust pervade all social, cultural, and even personal exchanges, so that the construction of civil society, much less civil memory, is very, very difficult. On the other hand, there are multiple memories and historical myths, each of which has learned to think of itself as legitimate simply by virtue of being private and unofficial. Where these private or tribal versions come together, they form powerful counterhistories of a mutually antagonistic and divisive nature.

MIS-MEMORIES IN THE NEW EUROPEAN ORDER

In the present situation there are certain chronically intertwined themes which are reshaping and further distorting the Eastern European past.

Communism

The first is guilt over the Communist era itself. No matter how many times people proclaim that "they" did it to "us," the fact is that very few people could or did object to Communist power (in some places, notably Czechoslovakia, it was even initially welcomed in free elections by a large minority of the electorate). It was in the nature of "real existing Socialism" in Eastern Europe that it enforced the most

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humiliating, venal kinds of collaboration as a condition for rendering daily life tolerable. And most people, sooner or later, collaborated: intellectuals, priests, parents, managers, workers, shoppers, doctors, and so on. It is not for any real or imagined crimes that people feel a sort of shame at having lived in and under communism, it is for their daily lies and infinite tiny compromises. Until the coming of *Solidarity* this pattern was unbroken, and even the uniform heroic picture of Polish resistance in the 1980s is not without its self-serving mythological dimension. In Czechoslovakia, only 1,864 persons in a population of 15 million signed Charter 77. Even in June 1989, with the repressive apparatus relatively relaxed and well into the Gorbachev era, only 39,000 signed "A Few Sentences," the first manifesto of what would become Civic Forum.[27]

It is this sense that whole nations share a dirty little secret which accounts for the present obsession, in eastern Germany, in Czechoslovakia, and to a lesser extent elsewhere, with retribution, purification, and purge. The analogy with 1944 in France is striking. There is an epidemic of finger-pointing and blame, with all opinions represented, from those who wish to restrict guilt, indictment, and punishment to a representative or egregious few to those who would have whole nations atone for their past. What is getting lost in all this is any dispassionate appreciation of the Communist era in Europe. Few dare to point out that Communist rule differed from previous regimes in most of the region mainly by virtue of its cynical exploitation of national resources for a *foreign* (Soviet) interest. As governments, regimes, and elites, post-Stalinist Communists were not always so very unlike what had gone before—and will thus have to be absorbed and included in any understanding of the history of these lands. They cannot just be written out and written off.

Here too the analogy with Vichy, or with Italian Fascism, is perhaps appropriate. The Soviet-imposed regimes of Eastern Europe are part of their respective national histories; they continued in certain local traditions, pursued preestablished patterns of economic policy, and have contributed to the post-Communist character of their societies. As with Pétain and Mussolini, so with the puppet authorities of the "Peoples' Democracies": however tempting it may be, they cannot be eliminated from their country's history, nor "bracketed" from it, as an alien and passing aberration. In addition, the arrival of the Red Army saved what remained of certain minor-

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ities (Jews, notably); this was an important strand in the arguments of some of the protagonists in the German *Historikerstreit*; but in a region where anti-Semitism remains endemic it is hardly a popular argument in defense of regimes which were often themselves charged (in private) with being the work of Jews. My point here is not to attempt any sort of a balance sheet for Soviet rule, but to note that the Communist experience did not come from nowhere, did not disappear without leaving a certain record, and cannot be written out of the local past, as it had earlier sought to extrude from that past those elements prejudicial to its own projects.

The mis-memory of communism is also contributing, in its turn, to a mis-memory of anticommunism. General Antonescu, the wartime Romanian leader who was executed in June 1945, defended himself at his trial with the claim that he had sought to protect his country from the Soviet Union. He is now being rewritten into Romanian popular history as a hero, his part in the massacre of Jews and others in wartime Romania weighing little in the balance against his anti-Russian credentials. Anti-Communist clerics throughout the region, nationalists who fought alongside the Nazis in Estonia, Lithuania, and Hungary, right-wing partisans who indiscriminately murdered Jews, Communists, and liberals in the vicious score-settling of the immediate postwar years before the Communists took effective control, are all candidates for rehabilitation as men of moderate and laudable convictions; their strongest suit, of course, is the obloquy heaped upon them by the former regime.[28]

As to the issue of retribution and rehabilitation, here too the historical record is hostage to contemporary sentiment. The "lustration" project in Czechoslovakia, intended to deprive of their civil rights all who had the slightest association with the former ruling Party, is the most extreme option, pernicious in its application of collective responsibility and opportunistic in its appeal to the right-of-center parties who saw in it a chance to embarrass their leftist and liberal opponents in the recent elections. Bulgarians have established "civic tribunals" to pronounce a sort of public "degradation" upon those convicted of active collusion in past crimes. Even the Hungarians are in angry dispute: there is a running argument over whether to indict Andras Hegedus, a man who took the wrong side in 1956 and abetted the fall and murder of Imre Nagy, but who some see as

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having rehabilitated himself by his later conversion to "reform communism."

The most telling crisis of all concerns the theme of restoration of property. In most of Eastern Europe there has been or is about to be legislation to restore land and buildings to those who lost them in 1948. But this raises hard questions. Why 1948, just because it was the Communists who at that point began a program of expropriation? What of those whose homes, farms, and businesses were expropriated in the years 1945–1948? Or the millions whose possessions were illegally taken during the war itself and, in the Czech and Slovak cases, after 1938? If the Communist regime alone is to be treated in this way, what of those who benefited from the expulsion of the Sudeten Germans, the forced transfers of Hungarians in Slovakia, the deportation and murder of the Jews everywhere? Was illegal expropriation, collective punishment, and loss of material goods and livelihood wrong in itself or only if undertaken by Communists?

The complication here of course is that there are many in all these countries who benefited from the sufferings of others in the years 1938–1948. This is not something on which the Communists laid any emphasis after 1948, and it is not something the beneficiaries, their heirs, and their fellow countrymen want to hear about today. It explains why so many Czechs and Slovaks resented Havel's apology to Germany for the expulsion of the Sudeten Germans (almost his first public act upon entering the presidency), and it is also part of deeper complexes and silences about wartime and postwar collusion and worse in the treatment of minorities. The problem of Poles and Jews in Polish history, including the traumatic experiences of Jews in Poland *after* the war, is the most dramatic and best-known of these issues, but it is far from unique.[29] Finally there is another, utterly unresolvable dilemma: what good does it do to restore property when you cannot return to tens of millions of people the loss of opportunity and liberty they suffered after 1948? Is there not something wrong in an outcome whereby the Schwarzenberg family gets back its palaces, and long-departed emigrés are paid for a loss which their descendants have turned to advantage, while those who had nothing get nothing and watch bitterly as their own and their children's lost chances go for nought? It may or may not be just but it certainly does not look very fair and it is politically most imprudent.

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These and other ironies of present attempts to resolve unhappy memories help explain the resurfacing of older sentiments and allegiances in post-1989 Eastern Europe. This was in some measure predictable, of course. The Communist era did not forge new ways of identifying and describing local and national interests; it merely sought to expunge from public language all trace of the old ones. Putting nothing in their place, and bringing into terminal disrepute the socialist tradition of which *it* was the bastard product, it left a vacuum into which ethnic particularism, nationalism, nostalgia, xenophobia, and ancient quarrels could flow; not only were these older forms of political discourse legitimated again by virtue of communism's very denial of them, but they were the only real terms of political communication that anyone could recall, with roots in the history of the region. Together with religious affiliation, which in pre-1939 Eastern Europe was often itself the hallmark of nationality, they and the past they describe and represent have returned to haunt and distort post-Communist politics and memory.

This has to be understood on its own terms. Unlike France or Britain, for example, the little nations of Eastern Europe have lived for centuries in fear of their own extinction. It is truly tragic that on those occasions when they were afforded a measure of autonomy or independence it was usually at the expense of someone else and under the protection of an authoritarian foreign interest. Many Slovaks today speak enthusiastically of Father Tiso, the Slovak leader hung in April 1947 for his collaboration and war crimes during the years of Slovak independence from 1939 to 1944. This helps explain both the current Slovak drive for separation and the recent refusal by some Slovak representatives to vote ratification of the accords with Germany which declared Munich null and void. The cruel fact is that for many Slovaks, then and now, Munich *was a good thing*.[30]

Croats by contrast are largely unenthusiastic about the brutal rule of the Ustashi regime which took advantage of the German-protected independent Croatian state to exterminate Jews and Serbs on a massive scale; but they can hardly be blamed for a degree of confusion when they are asked to disassociate utterly from that brief memory of autonomous national existence. Polish national sentiment can be an ugly thing, rooted in an unhealthy Catholic exclusivism. Jews and Ukranians have good reason to fear it (as do Czechs, who know something of Poland's opportunistic land grab after Munich).

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But Polish memory has for two generations been force-fed a counterintuitive affection for Russian-imposed internationalism, and it would be surprising indeed were the nation to have turned directly from a "fraternal Socialist Europe" to the cosmopolitan (Western) Europeanism of optimistic dissident imaginings without passing through some such nostalgic engagement with a properly *Polish* past.

Anti-Semitism

Of all the old languages which have rushed in to fill the space left by Communist discursive power, anti-Semitism is the most striking. It is almost irrelevant that there are hardly any Jews left in contemporary Eastern and Central Europe.[31] Anti-Semitism in this part of Europe has long had a central political and cultural place; it is as much a way of talking about "them" and "us" as it is a device for singling out Jews in particular. What is striking, though, is the discomfort aroused by any suggestion that Eastern Europeans today need to come to terms with their *past* treatment of Jews. That particular past has been so profoundly buried, by Communists and non-Communists alike, that attempts to disinter it are resented by everyone, including Jews. Indeed, the Jewish intelligentsia of Budapest and Warsaw (which includes a goodly portion of the dissident intellectuals of the past twenty years) does not like to be reminded that its own and its parents' recent past was closely tied to that of the Communist movement and that Jews in Eastern Europe who survived the war and chose not to emigrate often made considerable efforts to hide their Jewishness—from their colleagues, their neighbors, their children, and themselves. They are often the first to insist that anti-Semitism ended in 1945—indeed they will sometimes claim that its earlier presence in countries like Poland, Czechoslovakia, Hungary, and even Romania was much exaggerated.[32]

The special difficulty of coming to terms with the treatment of Jews, especially during the war, is that it is hopelessly imbricated with other buried histories already mentioned. For some time now there has been an interesting debate among Hungarian historians over whether the extermination of the Hungarian Jews could have been prevented. Certain of the historians involved in this debate were Jews, from different generations. The older scholars (including Jews) were often very reluctant to concede that Hungarians could have done more to prevent the deportation of their Jewish community in 1944;

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what was at issue was less the fate of Hungarian Jews than the responsibility of Hungarians for their own dealings with the Nazis in the last stages of the war.[33]

Curiously, this syndrome has its close equivalents further West. Postwar Austrians, Jews and non-Jews alike, preferred to think of Hitler's Austrian victims as a single undifferentiated category: Jews, Social-Democrats (and Jewish Social-Democrats), Christian Socials, and so forth were conflated after 1945 into a single memory of the oppression of the Austrian nation by Prusso-German Nazis. In Austria as in her eastern neighbors, this misrepresentation of history and memory (which in 1945 was certainly recent enough) did little to help Jews melt back into the fabric of Austrian society. There are about 10,000 Jews in Austria today, but in an opinion poll taken in October 1991, 50 percent of respondents thought "Jews are responsible for their past persecution," 31 percent said they did not want a Jew as a neighbor and 20 percent said they wanted no Jews in the country.[34]

Further west still, in France, returning Jewish survivors of the camps were tacitly invited to merge into the general category of "deportees." Only men and women deported for acts of anti-Nazi resistance received special recognition—indeed, in the 1948 parliamentary discussions of a law defining the status and rights of former deportees no one made any reference to Jews. It has taken some forty years for the distinctive experience of Jews in occupied France and the manner in which Vichy singled them out for punishment to become a central part of the debate over the memory of the Occupation. In France, too, this neglect was in some measure the responsibility of the Jewish community, which sought to reclaim for itself an (invisible) place in the universal Republic and had little interest in inviting further discrimination by arousing unpleasant memories—its own and those of its persecutors. This stance only began to alter with the next generation of French Jews, their consciousness "raised" by the Six-Day War of June 1967, and de Gaulle's ill-starred remarks. It is for this reason that the special responsibilities of the Vichy regime, which lie in its autonomous and thoroughly French reasons for seeking out and disadvantaging Jews in particular, were for so long shrouded in ambiguity.[35] If Helmut Kohl can today speak of the extermination of Jews as a crime "committed in the name of Germany" (and thus not by any particular Germans), it is not

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surprising that for the best part of half a century French politicians saw little reason to arouse any sense of guilt among the French for crimes committed "in their name."[36]

NEW MYTHS AND NEW PASTS

And now? Goodbye to all that? The revolutions of 1989 have forced open the East-European past, just as the historiographical transformations in the West have removed decades-long taboos on parts of the wartime memory.[37] There will be infinite revisions and reinterpretations, but the recent past will never look the same again, anywhere. However, even the most superficial survey of the present scene reveals new myths and new pasts already in the making.

To begin with, there is something to be said, socially-speaking, for taboos. In Western Europe, for forty years after the end of World War II, no respectable scholar or public figure would have thought to attempt a rehabilitation of fascism, anti-Semitism or the hypercollaborationist regimes and their doings. In return for the myth of an ethically-respectable past and an impeccably untainted identification with a reborn Europe, we have been spared the sorts of language and attitudes which so polluted and degraded the public realm between the wars. In Eastern Europe the brutal, intolerant, authoritarian, and mutually-antagonistic regimes which spread over almost all the region in the years following World War I were cast into the dustbin of history. The many unpleasant truths about that part of the world were replaced by a single beautiful lie. For it must not be forgotten that communism was constrained by its own self-description to pay steady lip service to equality, freedom, rights, cultural values, ethnic fraternity, and international unity. By its end few questioned the hypocrisy of the affair; but in public at least there were certain things no longer said and done which had once been the common currency of hatred throughout the area.[38]

These constraints are now loosened, if not altogether swept away. In the words of Bruno Mégret, Jean-Marie Le Pen's deputy in the *Front National,* "Nous sommes en train d'assister à la fin du monde reconstruit depuis Yalta. Toutes les idéologies, tous les tabous (*sic*) qui ont été fondés alors sont en train de tomber."[39] Monsieur Mégret knows whereof he speaks. His party has made no small contribution to the process. Without the loss of such taboos could one really

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imagine that by October 1991 some 38 percent of Giscard d'Estaing's supporters and 50 percent of Jacques Chirac's would be "globally in agreement" with Le Pen's views? Only two years earlier the respective figures were 20 percent and 38 percent. Had anyone even thought to ask the question ten years ago the figures would have been negligible. The fact is that the selfsame myths which protected the French against the memory of Mégret's Vichyite forebears also acted as a sort of prophylactic against contemporary echoes of that past. It is a cruel and paradoxal truth that the work of historians like Henry Rousso, Jean-Pierre Azéma, and their colleagues has made it possible to tell the truth about the past—and thus allowed men from that past to tell their *own* truth in the present.

Hence, too, the circumstances in which Benito Mussolini's granddaughter Alessandra can get elected to the Italian parliament this year in part *by virtue of her name,* something of which she need no longer feel ashamed, it being rather better established today that *Il Duce* was not so unpopular as people liked to think, and that his institutional legacy is with Italians still. So it is in Eastern Europe, where the helter-skelter rush to dismantle and deny communism and all its works has, as noted above, begun to legitimize the earlier doings of men who combined prewar or wartime anticommunism with attitudes and acts which were until just recently literally unspeakable.

What we are witnessing, so it seems to me, is a sort of interregnum, a moment between myths when the old versions of the past are either redundant or unacceptable, and new ones have yet to surface. The outlines of the latter are already beginning to form, however. Whereas for the purposes of European moral reconstruction it was necessary to tell a highly-stylized story about the war and immediate postwar trauma, the crucial reference point for Europe now will be the years immediately preceding the events of 1989. This is not to say that the earlier mis-memories will henceforth be recast in tranquility into objective and universally-recognized histories. As I have suggested, East Europeans in particular have not yet begun to sort through and understand the multilayered pasts to which they are the unfortunate heirs, including the past which began in 1948 and has just ended. The war and especially the postwar years are still largely unexplored territory in the historiography of this region (in any language), and Leszek Kolakowski is doubtlessly correct when he

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predicts that Eastern Europe is in for a painful *Historikerstreit* of its own. But the crucial new myths will be about something else.

Western Europe is already afloat in a sea of mis-memories about its own pre-1989 attitude towards communism. Whatever they now say, the architects and advocates of a unified Europe à la Maastricht never wanted to include a whole group of have-not nations from the East; they had yet fully to digest and integrate an earlier Mediterranean assortment. The Soviet grip on Eastern Europe had the double virtue of keeping that region away from the prosperous West while at the same time allowing the latter the luxury of lamenting the very circumstances from which it was benefiting. In a like manner, the non-Communist European Left is already forgetting just how very defensive it had been for the previous two decades on the subject of Soviet rule. Between Willy Brandt's *Ostpolitik* and the fantasies of the extreme disarmers, the Western Left not only discouraged criticism of the Communist regimes but was often quite energetic in their defense, especially in the later Brezhnev era. Even now there are suggestions of an attempt to cast perestroika as the missed occasion for a renewal and rebirth of the Communist project, with Gorbachev as the would-be Bukharin of a different road to socialism. The history and memory of Western political and cultural attitudes towards the East is an embarrassing one; if Václav Havel and others do not allude to it as often or as acerbically as they once did, this is because they must look ahead to their immediate needs. But they have not forgotten that the Western Left played no role in their own liberation, nor are they insensible to the manifest lack of enthusiasm displayed by French and other statesmen at the fall of the Wall and its consequences. If the West forgets its own immediate past, the East will not.[40]

But Eastern Europe, too, is in thrall to freshly-minted versions of its own recent history. Of these the most disturbing may be, as I have already noted, a denial of the Communist experience. That the years 1948–1989 were an ugly parenthesis in the history of Central and Eastern Europe is of course true; their legacy is mostly ashes, their impact mostly negative. But they did not come from nowhere, and even ashes leave their mark. That is why the debates over collaboration and collusion in Germany, Czechoslovakia, and elsewhere are so crucial and difficult. But these very debates and the revelations surrounding them risk repeating the experience of the French post-

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war *épurations:* the whole episode was so shot through with private score-settling and bad faith that within a few months no one any longer believed in the undertaking and it became difficult (and eventually unfashionable) to distinguish between good and evil in such matters. To avoid this result—to avert the danger of arousing sympathy for Communist "victims" of revenge and public cynicism as to the motives of the revengers—some political leaders in the region have already begun to suggest that it might be best just to draw a veil over the whole uncomfortable Communist episode.

But that same veil would also blur our understanding of the place of communism, for good or ill, in the modern transformation of Eastern Europe. This would be a mistake: communism in Eastern Europe has some achievements to its name, paradoxical though these may now appear; it industrialized certain backward regions (Slovakia being a notable case), it destroyed old castes and structures which had survived earlier wars and revolutions, and they will not now return. Moreover, the Communists pursued and accelerated programs of urbanization, literacy, and education which were sadly lacking in this part of Europe before 1939; their drive to nationalize production and services was consistent in form, if not in manner, with a process which had begun in Poland and Czechoslovakia before 1939, was pursued by the Nazis and maintained and extended by the coalition governments of the postwar years before the Communists seized power. To insist, as many now do, that communism in Eastern Europe was an alien and utterly dysfunctional imposition of Soviet interests is as misleading as to claim that the Marshall Plan and NATO were forced upon an unwilling and supine Western Europe (one of the more enduring myths of an earlier generation of Western critics).

Finally, the very events of 1989 themselves may be about to enter the no-man's-land of mythical and preferable pasts. It will be hard to claim that any of the liberations of Eastern Europe, even those of Poland or Hungary, would have been possible without at least the benign neglect of the Soviet Union; indeed there is some reason to believe that in Czechoslovakia and perhaps Berlin the Soviets played an active part in bringing down their own puppet regimes. This is not a very appealing or heroic version of a crucial historical turning point; it is as though Louis XVI had engineered the fall of the Bastille, a course of events which would have had detrimental consequences

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for the identity of nineteenth-century republicanism in France. It is also a sequence of developments humiliatingly familiar in Eastern European memory, where the wheel of history has all too often been turned by outsiders. The temptation to tell the story in a different and more comforting way may become overwhelming.[42]

The new Europe is thus being built upon historical sands at least as shifty in nature as those upon which the postwar edifice was mounted. To the extent that collective identities, whether ethnic, national or continental, are always complex compositions of myth, memory, and political convenience this need not surprise us. From Spain to Lithuania the transition from past to present is being recalibrated in the name of a "European" idea which is itself a historical and illusory product, with different meanings in different places. In the Western and Central regions of the continent (including Poland, the Czech lands, Hungary, and Slovenia but not their eastern neighbors) the dream of economic unity may or may not be achieved in due course.

But what will not necessarily follow is anything remotely resembling continental political homogeneity and supranational stability—note the pertinent counterexample of the last years of the Habsburg Monarchy, where economic modernization, a common market, and the free movement of peoples was accompanied by a steady increase in mutual suspicion and regional and ethnic particularism. As for Eastern Europe, the "third" Europe from Estonia to Bulgaria, the idea of European identity there is fast becoming the substitute political discourse of an embattled minority of intellectuals, occupying the space which in other circumstances would be taken up by liberal and democratic projects, and facing the same formidable opponents and antipathies which have weakened the latter on past occasions. At a time when Euro-chat has turned to the happy topic of disappearing customs barriers, the frontiers of memory remain solidly in place.

ENDNOTES

[1]See figures given in Gerold Ambrosius and William H. Hubbard, *A Social and Economic History of Twentieth-century Europe* (Cambridge, Mass.: Harvard University Press, 1989), passim; Kenneth Morgan, *The People's Peace* (Oxford: Oxford University Press, 1990), 52.

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[2]For an extended discussion of Camus's shifting position on the dilemma of revenge and retribution in postwar France, see Tony Judt, *Past Imperfect: French Intellectuals 1944–1956* (Berkeley, Calif.: University of California Press, 1992).

[3]In addition to the concentration camp established by the Nazis at Struthof in Alsace, there were several internment camps in southern France. Some of these had been set up in the last months of the Third Republic to handle Republican refugees from Spain; under Vichy they served as holding pens for Jews, refugees, and other undesirables prior to their deportation, in most cases, to the East. See Anne Grynberg, *Les camps de la honte. Les internés juifs des camps français, 1939–1944* (Paris: La Découverte, 1991), as well as the haunting memoir by Arthur Koestler, *The Scum of the Earth* (London: Gollancz, 1955).

[4]A view shared by de Gaulle, which helps explain his occasional inability to grasp the essential distinction, when it came to postwar retribution, between Prussian "barbarism" and Nazi genocide.

[5]For a somewhat partial, but well-documented account of the expulsion of the Germans, see Alfred M. de Zayas, *Nemesis at Potsdam: The Expulsion of the Germans from the East* (Lincoln, Nebr.: University of Nebraska Press, 1989).

[6]On the unhappy history of postwar, pre-Communist Czechoslovakia's treatment of some of its national minorities, see Radomir Luza, *The Transfer of the Sudeten Germans: A Study of Czech-German Relations, 1933–1962* (New York: Antheneum, 1964); Petr Pithart, "Let us be kind to our History," *Kosmas* (Winter 1984); and Kalman Janics, *Czechoslovak Policy and the Hungarian Minority, 1945–1948* (New York: Columbia University Press, 1982).

[7]See Paul Ginsborg, *A History of Contemporary Italy, 1943–1988* (London: Penguin, 1990), 53 ff.

[8]I am thus inclined to agree with Henry Rousso, who has suggested that although the postwar purge in France can now be seen to have been tragically inadequate, its failure was probably inevitable under the circumstances. See Rousso, "L'épuration en France: une histoire inachevée," in *Vingtième Siècle* 33 (janvier-mars 1992): 78–106.

[9]Ginsborg, *A History of Contemporary Italy*, 64–70. On later charges leveled at the partisans for their acts of summary justice, see Luca Alessandrini and Angela Maria Politi, "Nuove fonti sui processi contro i partigiani, 1948–1953," *Italia Contemporanea* 178 (1990): 41–62.

[10]As in the case of the massacre of Hungarians in the Voivodina by Tito's partisans, revenge for the Hungarian military's activities began there in January 1942.

[11]For the Austrian figures, I am indebted to Dr. Lonnie Johnson of the *Institut für die Wissenschaften vom Menschen* in Vienna. For France, see Rousso, "L'épuration en France," but also Marcel Baudot, "L'épuration: bilan chiffré," in *Bulletin de l'Institut d'Histoire du Temps Présent* 25 (septembre 1986): 37–53.

[12]In which the French at first proved remarkably adept. In July 1951 one observer wrote of their "alarming" success in putting Vichy out of mind. See Janet Flanner, *Paris Journal 1944–1965* (New York: Harcourt, Brace, 1977), 153.

[13]For the benign and limited character of the purge of economic collaborators, see Henry Rousso, "Les élites économiques dans les années quarante," *Le elites in*

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Francia et in Italia negli anni quaranta (Mélanges de l'Ecole française de Rome, tome 95, 1982–1983).

[14]In the Italian instance a further question arises, obscured by the aura surrounding the Resistance coalition. If Mussolini had chosen to keep out of Hitler's war, and had succeeded remaining aloof, are there not some grounds for speculating that his regime might have survived into the postwar era? The comparison with Franco is not so implausible as it seems; the short history of the Italian nation-state had provided little occasion for the cementing of democratic or constitutional habits.

[15]Enzensberger's phrase suggests a sort of passive collusion, an agreement not to discuss certain matters in public, as a result of which they become obscured in recollection. To the extent that historians contributed to this situation, they did so mostly through omission; the war years were too recent, and primary or official sources too scarce to permit serious historical accounts of collaboration or resistance. As time passed and archives opened, some good scholarly studies were indeed undertaken, despite the problems of contemporaneity. But they were not necessarily read outside of a narrow circle of specialists. When their influence *was* finally felt, it was usually for reasons that had little to do with the formal conditions of academic production.

[16]See William B. Bader, *Austria between East and West, 1945–1955* (Stanford: Stanford University Press, 1966) and Robert E. Clute, *The International Legal Status of Austria, 1938–1955* (The Hague: M. Nijhoff, 1962).

[17]See Rudolf Bindschedler, Hans Rudolf Kurz, Wilhelm Carlgren, and Sten Carlsson, *Schwedische und Schweizerische Neutralität im Zweiten Weltkrieg* (Basel: Helbing and Lichtenhahn, 1985), notably the contributions by Carlsson, Bindschedler, and especially Samuel Werenfels ("Dis Schweizerische Praxis in der Behandlung von Flüchtlingen, Internierten und entwichenen Kriegsgefangenen im Zweiten Weltkrieg," 377–405). Also Sven-Olof Olsson, *German Coal and Swedish Fuel* (Göteborg: Institute of Economic History, Göteborg University, 1975).

[18]A further shared characteristic of the Community's Founding Fathers—their common Catholicism—may help account for initial suspicions and reticence on the part of Scandinavian and especially British politicians in the postwar years. I am indebted to Stephen Graubard for this observation. The British, of course, had many other reasons for seeking to remain aloof from European projects—see the interviews with senior British politicians and civil servants in Michael Charlton, *The Price of Victory* (London: BBC Publishing, 1983).

[19]It should be noted, however, that France has never ratified the international and European conventions of 1968 and 1974 which make *war crimes* also imprescriptible. As a result, under French law it is only possible to prosecute someone for actions undertaken during the war if his handiwork falls under the at once restrictive and nebulous heading of "crimes against humanity."

[20]Henry Rousso, *Le Syndrome de Vichy, de 1944 à nos jours,* 2nd edition (Paris: Seuil, 1990). Examples of the seminal contributions of foreign scholars include Eberhard Jäckel, *Frankreich in Hitlers Europa* (Stuttgart: Deutsche Verlags-Anstalt,1966), of which a French translation finally appeared in 1988; Robert O. Paxton, *Vichy France: Old Guard and New Order* (New York: Columbia

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University Press, 1972); Dennis Mack Smith, *Italy: A Modern History* (Ann Arbor: University of Michigan Press, 1959), and *Mussolini* (New York: Knopf, 1982). Note, too, the work of Gerhard Hirschfeld, *Nazi Rule and Dutch Collaboration: The Netherlands Under German Occupation, 1940–1945* (Oxford/New York: Berg, 1988). A translation of *Fremdherrschaft und Kollaboration. Die Niederlande unter deutscher Besatzung 1940–1945* (Stuttgart: Deutsche Verlags-Anstalt, 1984) provided a much needed corrective to even the best Dutch historiography on the subject. See also Nanda van der Zee, "The recurrent myth of 'Dutch heroism' in the Second World War and Anne Frank as a Symbol," in G. Jan Colijn and Marcia S. Littell, eds., *The Netherlands and Nazi Genocide* (Lewiston, N.Y.: E. Mellen Press, 1992), 1–14.

[21]All three men have been "investigated" for their active roles in Vichy's treatment of Jews—and in each case the wheels of justice have turned with excruciating and suspicious slowness. The motive for this disinclination to raise again the old, uncomfortable issues is the same as it was in 1946; the Under-Secretary of State for Justice in a Socialist-led government, M. George Kiejman, declared on 19 October 1990 that "au-delà de la nécessaire lutte contre l'oubli, il peut paraître important de préserver la paix civile."

[22]The German arguments raged not so much over issues of resistance and collaboration, which were marginal to the German experience, but rather around the problem of responsibility (and the limits of responsibility) for the policy of racial extermination. After four decades during which the subject was at once acknowledged and yet curiously undiscussed, some conservative scholars, taking advantage of the passage of years and the declining legitimacy of Soviet communism, suggested that the time had come to "historicize" the Holocaust, to concede the comparability of Nazism and Stalinism and even to suggest that the Nazi policy of genocide was in some measure a rational and explicable response, however awful, to the threat posed to Germany by her totalitarian neighbor to the East. The moral and political shock waves of this historical dispute have been somewhat muted by the unexpected unification of Germany and its attendant moral dilemmas, but they remain potent and their implications endure. See Richard J. Evans, *In Hitler's Shadow* (New York: Pantheon, 1989); Charles S. Maier, *The Unmasterable Past* (Cambridge, Mass.: Harvard University Press, 1988), and Peter Baldwin, ed., *Reworking the Past: Hitler, the Holocaust and the Historians' Debate* (Boston: Beacon Press, 1990), notably the contributions by Saul Friedländer, Hans Mommsen, and Hagen Schulze. See also the acerbic commentary by one of the participants in the argument, Hans-Ulrich Wehler, *Die Entsorgung der deutschen Vergangenheit. Ein polemischer Artikel zum 'Historikerstreit'* (Munich: Beck, 1988).

[23]For the Waldheim presidency and its ramifications in Austria, see the new book by Richard Mitten, *The Waldheim Phenomenon in Austria: The Politics of anti-Semitic Prejudice* (Boulder, Colo.: Westview Press, 1992).

[24]See the reflections on this theme by Rousso, Daniel Lindenberg, Stanley Hoffmann, and others in "Que faire de Vichy?" *Esprit* (mai 1992): 5–87.

[25]Claudio Pavone, *Una guerra civile. Saggio storico sulla moralità nella Resistenza* (Turin: Bollati Boringhien, 1991); Luisa Passerini, *Mussolini imaginario* (Bari: Laterza, 1991), and the editorial, "Il nuovo processo alla Resistenza," *Italia Contemporanea* 181 (December 1990): 645–51. See, in addition, Passerini's

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earlier work, *Fascism in Popular Memory* (Cambridge: Cambridge University Press, 1987), a translation of her *Torino Operaia e Fascismo* (Bari: Laterza, 1984). The steady disaggregation of the Resistance coalition in postwar Italy, and with it the attendant foundation myth of the Republic, has also, of course, affected the standing and support of the Christian Democrats. But it is the decline and fall of the ex-PCI which has done most to facilitate and even encourage public debate over the wartime experience of the country. For an authoritative instance of the traditional Communist position on the war and postwar years, see Luigi Longo, *Chi ha tradito la Resistenza* (Rome: Ed. Riuniti, 1975).

[26]Peter Schneider's most recent work, *The German Comedy: Scenes of Life After the Wall*, was published in New York by Farrar, Strauss, and Giroux in 1991. On the way in which historians in the German Democratic Republic handled the issue of anti-Semitism, see K. Kwist, "Historians of the German Democratic Republic on anti-Semitism and Persecution," *Leo Baeck Institute Yearbook* XX (1976): 173–198.

[27]See Tony Judt, "Metamorphosis: The Democratic Revolution in Czechoslovakia," in Ivo Banac, ed., *Eastern Europe in Revolution* (New York: Cornell University Press, 1992).

[28]More problematic still is the case of someone like the Romanian writer Mircea Eliade, a liberal intellectual nowadays much admired for his prescient critiques of Stalinism in the 1950s and after. It is all too easy to forget that before World War II, like much of the intelligentsia of Central and Eastern Europe, Eliade was a supporter of the extreme nationalist Right.

[29]In the pogrom at Kielce on 4 July 1946, 41 Jews died. There were many similar, lesser outbursts of anti-Semitism in postwar Poland. But there are some grounds for thinking that these atrocities (like the murder of two Jews at Kunmadaras in Hungary on 21 May 1946) were provoked by the Communist police, who had an interest in exacerbating already strained relations between Jews and non-Jews. See Aleksander Smolar, "Jews as a Polish Problem," *Dædalus* 116 (2) (Spring 1987): 31–73 and Yosef Litvak, "Polish-Jewish Refugees Repatriated from the Soviet Union to Poland at the end of the Second World War and Afterwards," in Norman Davies and Antony Polonsky, eds., *Jews in Eastern Poland and the USSR, 1939–1946* (New York: St. Martin's Press, 1991). I am indebted to Professor Istvan Deák for his observations on this point.

[30]The Treaty on Cooperation and Friendship between Czechoslovakia and Germany was signed on 27 February 1992 and ratified in the Czecho-Slovak Federal Assembly on 4 April 1992, by 226 votes to 144. Deputies from the Communist, Social-Democratic, and Slovak Nationalist parties voted against, the Slovaks objecting to the phrase which affirmed the "continuity of the Czechoslovak state since 1918."

[31]Only in Hungary is the Jewish presence significant. It numbers about 100,000 persons, most of them in Budapest.

[32]According to Joseph Rothschild, in interwar Eastern Europe "the only really potent international ideology . . . was anti-Semitism based on both conviction and experience," *East-Central Europe Between the Two Wars* (Seattle: University of Washington Press, 1974), 9. For some interesting remarks on the "hyper-assimilationism" of postwar Hungarian Jews (those who chose to remain), see

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Maria Kovacs, "Jews and Communists: A View After Communism," unpublished paper.

[33]See Istvan Deák, "Could the Hungarian Jews Have Survived?" *New York Review of Books* 29 (1) (4 February 1982); Randolph L. Braham, *The Politics of Genocide: The Holocaust in Hungary* (New York: Columbia University Press, 1981); György Ránki, "The Germans and the Destruction of the Hungarian Jewry," in Randolph L. Braham and Belá Vago, eds., *The Holocaust in Hungary: Forty Years Later* (New York: Columbia University Press, 1985); András Kovács, "Could Genocide Have Been Averted?" *Budapest Review of Books* 1 (1) (1991): 20–25.

[34]On postwar Austrian handling of indigenous anti-Semitism and the memory of local enthusiasm for the Nazis, see Bruce F. Pauley, *From Prejudice to Persecution: A History of Austrian anti-Semitism* (Chapel Hill, N.C.: University of North Carolina Press, 1991), 301–10.

[35]See Annette Wievorka, *Déportation et Génocide. Entre la mémoire et l'oubli* (Paris: Plon, 1992), notably pages 19–159 and 329–433; Serge Klarsfeld, *Vichy-Auschwitz. Le rôle de Vichy dans la solution finale de la question juive en France,* 2 vols (Paris: Fayard, 1983).

[36]Note that François Mitterrand avoided any official acknowledgement of Vichy's role in the deportation of Jews during his 1982 visit to the *Yad Vashem* memorial in Jerusalem, a silence that he has maintained in spite of impassioned pleas from many quarters in French society. But France is not unique—historiographical and public interest in the circumstances of Jewish deportations in Belgium, Italy, and elsewhere is of very recent vintage. It is hard now to recall how small a part the extermination of Jews, and the sensitive issue of latent anti-Semitism, played in the political consciousness of Europe in the immediate postwar decades.

[37]One of the more optimistic signs in Eastern Europe has been the organization or reorganization of centers for historical research, oriented in many cases to making good the damage done to historical studies in the region over the past forty years. In Prague, the *Pamatnik odboje* (Memorial of the Resistance), part of the former History Institute of the Czechoslovak army, now has a department, directed by Dr. Frantisek Janacek, devoted to the historical study of collaboration and resistance in Czechoslovakia, during and after World War II.

[38]The glaring exception, of course, was the ugly outbreak of officially-condoned anti-Semitism in Poland in the years 1967–1968. But for many people this has already been cosmetically reshaped as the work of a few hotheads in the political apparatus, with no support or roots in the Party or nation at large.

[39]"We are witnessing the end of the post-Yalta order. All of the ideologies, all of the taboos which were then founded, are now collapsing." 30 August 1991, cited in *Le Monde* (31 August 1991).

[40]Nor should it be forgotten that Socialists in Italy, especially, were happy to join with communists in applauding the East-European show trials of the 1940s and 1950s, a subject over which they and their heirs now prefer to maintain a discrete silence. Even Aneurin Bevan in Britain's Labor Party was not exempt from temptation; in 1959, reiterating his faith in the future of the Soviet Union, he declared that ". . . the challenge is going to come from those nations who,

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however wrong they may be—and I think they are wrong in many fundamental respects—nevertheless are at long last being able to reap the material fruits of economic planning and of public ownership," in Michael Foot, *Aneurin Bevan: A Biography, Volume II, 1945–1960* (New York: Antheneum, 1974). All in all, it is hard to dissent from the bitter conclusion of Paolo Flores d'Arcais: ". . . nel comunismo la sinistra europea è stata coinvolta quasi tutta, direttamente o indirettamente. Per scelta, per calcolo, per omissione." See his editorial in *Micro-Mega* 4 (1991): 17.

[41]In 1939, illiteracy levels were still 32 percent in Bulgaria, 40 percent in Yugoslavia, and nearly 50 percent in Romania. See Barbara Jelavich, *History of the Balkans: Twentieth Century* (Cambridge: Cambidge University Press, 1983), 242.

[42]Witness the speech by Jozsef Antall, historian and Prime Minister of Hungary, on 11 January 1992, where he describes to his Hungarian audience the West's lack of appreciation for East-Central Europeans' heroic efforts on its behalf: "This unrequited love must end because we struck to our posts, we fought our own fights without firing one shot and we won the third world war for them." This stirringly revisionist interpretation of the Kadarist years is excerpted in *East European Reporter* V (II) (March–April 1992): 66–68.

[43]See David F. Good, *The Economic Rise of the Habsburg Empire, 1750–1914* (Berkeley, Calif.: University of California Press, 1984).

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Christoph Bertram

US-German Relations in a World at Sea

GERMAN-AMERICAN RELATIONS SINCE 1949 have displayed a remarkable, even astonishing continuity. From that of victor/vanquished, occupier/occupied, tutor/ward, and finally that of ally, there runs, despite all the different phases and stages, a strong, continuous cord of mutual confidence, even—although the term sounds strange in international politics—of harmony. If all other things are becoming uncertain, should that relationship at least not endure?

And yet, what was obvious for so long is becoming doubtful for one central reason: US-German harmony was the result of, or at least coincided with, a world in port, not one at sea. Powerful anchors made sure that whatever the relative role or power of both countries, they could not drift apart: America, the superpower, was central to (West) German security threatened by Soviet military power and control in Eastern Europe; Germany, the divided country, had only one way—to the West—to go, if it accepted the division as permanent or if it did not. In the former case, West Germany was by definition Western; in the latter, it needed the most powerful Western ally to reach its objective. America remained, for many in Germany, the natural partner; Germany became, as other European countries defaulted, the desired comanager for an America determined to remain a power in Europe. It was, or so it seemed, the match of the century.

But the anchors, that were dug so firmly into the ocean bed, are dragging today. The flood is rising and the world is at sea. Can Germany and the United States, once stuck together, now float together?

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"Waterloo," says Victor Hugo in *Les Miserables,* "was not a battle. . . . On this day the fate of mankind was altered." In the same way, the collapse of Soviet control and communist power in Eastern Europe was not an isolated event, but a cancer which, by luck and skill, has now successfully been removed, allowing the happy patient to return to his previous existence.

It is true that many, in the heyday of 1989 and 1990 believed just that. Democracy and market-economy, they predicted, would soon turn poor and backward Eastern Europe into a flourishing, harmonious neighborhood; America would be the undisputed number one in the world; the European Community (EC) would grow into a European power.

But now a murderous Yugoslav war of secession and a stream of revelations on the depth of social and economic corrosion in Eastern Europe make these hopes of yesterday seem not only premature but naïve. Soviet power and communist control over a large part of Europe, it now turns out, were not simply a dirty coat of paint on a fine old building but a cornerstone of the edifice, a factor of stability. That cornerstone has been removed and the walls are cracking, not only those erected in Potsdam in 1945 but also those built at Versailles, St. Germain, and Trianon, a generation and a peace-conference earlier. Yugoslavia and Czechoslovakia were, after all, the creations of the victors of World War I, not of World War II.

As a result, many of the conditions that made for Western unity and US-German amity have disappeared. For America, the gift of the peer has gone: a superpower is super only if it can measure itself, and be measured by others, against a rival. For Western Europe, the gift of Yalta has run out, that division of the continent which allowed the Western part to organize itself unencumbered by the political, ethnic, and economic problems of the Eastern part: amazingly in retrospect, it was the poor and underdeveloped Soviet Union which was keen to shoulder these burdens, and the East-West rivalry managed even to produce stability in Europe's traditional tinderbox, the Balkans. Now, the fate of Eastern Europe, once again, impinges on a Western Europe hitherto prosperous, saturated, and secure. It cannot now remain the same—unless it were willing and able to replace the old wall with a new one. For both America *and* Western Europe, the gift of the common threat is gone, which allowed divergent interests to be disciplined and made into convergent policies. It is true that the Cold

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War had a high price attached to it, from the suppression of liberty in Eastern Europe, to proxy wars and massive arms investments by East and West, but it is also true that in its shadow grew a resilient framework for international stability which favored Western unity.

There are obvious as well as less visible implications that flow from these changes, adding to the uncertainties which make predictions on the shape of future US-German and US-European relations difficult and precarious.

The first is a shift in priorities, in both countries, away from international to domestic matters. This shift is not just conjectural; it is structural. Even if the United States did not have to face, as it is now beginning to do, the consequences of years of neglect in public service investment, and even if Germany was not obliged to integrate its bankrupt East into a unified country, that shift would be happening. As the immediacy of international challenges recede, the internal climate changes as well. Nothing is more immediate than threats to national security: with the collapse of the Soviet Union, the one power that could credibly threaten both Western Europe and the United States with military destruction exists no longer. Other priorities quite naturally come to the fore: countries can now afford to pursue them. If a nation's existence is primarily threatened from abroad, foreign policy cannot begin at home; now that national well-being is challenged primarily by domestic pressures, it can. The problem, of course, is that it might cease to be "foreign policy."

Less obvious, though no less important is another discovery: with the end of the Cold War, the authority of democratic institutions in many, if not all the major countries of the industrial world, has declined, including the United States and Germany. Somehow, the running rivalry with an external foe camouflaged the inadequacies of governmental and parliamentary structures in large parts of the Western world. Now that communism has vanished, democracy may glow in principle but falls short in practice: the rules and institutions no longer function satisfactorily; the prestige of politicians is at an all-time low; the distance between the people and those that govern them is widening. The democratic system seems increasingly incapable of efficient production; political leaders and parties seem incapable of gathering and retaining a sufficient number of followers to allow for wise and flexible governance.

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In Germany, it would be tempting to attribute this crisis of democracy to the immense challenge (and the concomitant frustrations) of national unification. Indeed what the Germans are trying to do is reintegrate two states, societies, and economies after forty years not only of separation but of ideological antagonism and a growing economic gap. It is, by any standards, an enormous task. And yet, to blame unification for the apparent inadequacies of the political system is nothing less than subterfuge. Many of the crisis symptoms appeared in the German body politic well before reunification. Moreover, much of the unification challenge has, by and large, been managed quite competently, even impressively: from securing that the united Germany would be united in the West, to the rapid establishment of democratic structures in former East Germany, not to speak of the inevitably awkward task of coping with the economic and moral mortgages left by the ousted communists. Unification has underlined the cracks in the Western system of government, not created them.

What are its most obvious manifestations? For one, the loss of flexibility, so visible in the dealings of labor and industry, but also in education policy, in intellectual life no less than in bureaucratic processes. In many of the areas in which West Germans traditionally excelled, immobilism has gained at the expense of innovation. Unification, far from stopping this trend, has even strengthened it, as West German institutions have responded to the challenge by cloning themselves in the East, not by reforming themselves.

For another, there has been a steady erosion of the social contract, once the hallmark of postwar (West) Germany. There was no class system; no social group, not even the lower paid, felt disadvantaged. On the contrary, they were proud to be part of Germany's economic achievements. Long before unification, this social contract experienced increasing strains—a result of the combined ills of unemployment, housing shortages, and immigration. Now there is emerging in many of Germany's major cities the "underclass" so familiar to other societies, but virtually unknown in postwar Germany.

In German politics these changes have produced a new unpredictability, a fragmentation of what used to be a cozy "closed shop" of political forces. In the past, the central question of every German election was not whether the two major parties, the Social Democratic Party (SPD) and the Christian Democratic Union (CDU),

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would have the largest part of the vote—they always had—but whether the potential partner of both, the liberal Free Democratic Party (FDP), would muster the 5 percent hurdle to get into the Federal Parliament. Today, the two major parties are struggling to keep a third of the electorate each; with the emergence of new political groups, future coalitions will be much less calculable. Where will the ecological Greens, the petit-fascist Republicans, and the communist offshoot Party of Democratic Socialism find their home? As the system becomes stultified and social cohesion wanes, politics become fragmented and governance is less assured.

The deficiencies of democracy are visible all over the Western industrial world. No doubt there are different causes for this phenomenon in different countries. Yet, it is striking that whatever the differences, these deficiencies manifest themselves in rather similar ways. The decline in the credibility and authority of political leaders is only slightly less obvious in Germany and the United States than in France or Italy; it is unlikely to be overcome merely by a change of players. Growing doubts about the ability of the political system to distribute national resources equitably and efficiently are commonplace on both sides of the Atlantic. Perhaps we have all been living for too long in our respective houses without refurbishing them; we now notice that the plumbing is faulty, the wiring inadequate, and that the beams are cracking.

Whether, as this author believes, we are witnessing a profound constitutional crisis or whether it is merely the expression of a temporary malaise, these conditions are bound to give an additional push to the introspective trend in Western societies. The repairs in our respective national political process are likely to be both time- and energy-consuming, since they must be made without the help of a national consensus, of economic growth, and of an external enemy.

Both the German and the American society have, of course, been turning inward for some time. With the exception of those dramatic days of 1989 and 1990, when the tumbling of the Berlin Wall lured whole armies of the US media to Berlin, Americans are, by and large, not terribly interested in what is going on in Germany. Similarly, Germans have become indifferent to American events: long gone are the days when American presidents inspired either adulation (as Kennedy did) or outrage (as Reagan did) among large sectors of German public opinion. America's image in Germany, particularly

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when the end of the Cold War pushed *all* superpowers from their former pedestals, has been that of a country no longer a model for the future but a deterring example, a society reluctant to forego the international privileges that came with its former function and incapable of addressing its internal ills. Neither pro-Americanism nor anti-Americanism is the prevailing German attitude today; it is rather one of indifference, mixed with occasional resentment and a sense of moral smugness.

The inward turning of both America and Germany would matter less if the international organizations were firmly in place, able to handle international efforts without constant national inputs, initiatives, and leadership. Unfortunately, the organizations that exist have not yet reached that happy state. More unfortunately still, pressures are mounting in both Europe and America to reduce commitments to international bodies, thereby undermining them further.

Of the chief organizations of Western cooperation—NATO, the European Community, the Organization for Economic Cooperation and Development (OECD)—none is self-sufficient; none can compensate for periods of inattention from national capitals. They are appendices of, not substitutes for, the nation-states that comprise their membership. This is particularly true in the present situation, given the changes in the international environment outlined above. In the past, Western organizations, whether or not explicitly devoted to security, all served the purpose of underpinning Western cohesion in the face of the Soviet enemy. Their course was charted; their task defined. The consensus that formed them found its perpetuation in common institutions and procedures. Now, however, the old charts and the old compass have become unreliable.

NATO, for instance, though trying hard to compensate for the loss of an enemy by extending cooperation to the new states emerging from the Soviet rubble, is still hanging together more by inertia and a general sentiment that it would be unwise to do without it, rather than by any specific security requirement. The European Community, now that Yalta no longer separates the Eastern part of the continent from the Western one, must trade internal cohesion for the incorporation of new members, in most cases less committed to European integration and often less developed economically than the original founding states. The OECD is faced not with greater liberalization of international economies but with segmentation, even

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protectionism. The Conference on Security and Cooperation in Europe (CSCE), once hailed as the new security framework for all of Europe, is bloated with new members and prevented from taking any major decisions by the consensus rule. And the United Nations, while experiencing a revival during the Gulf crisis, is all too often incapable of formulating and imposing conditions for international order. None of these organizations is, in itself, a bastion against disorder. In each case, unless determined national leaders give new impetus and purpose to these bodies, they will stagnate, perhaps even fossilize. None of them can compensate for a lack in the will or ability of national governments to shape the international environment.

Worse still, those unique structures of Western cooperation established during the Cold War decades are now, with its ending, in deep trouble. If this applies to NATO, there can be little surprise: after all, the Atlantic Alliance was designed to cope with the Cold War. It also, however, applies to the European Community.

On the surface, the Community had little to do with security and defense, and ought, under the conditions of post-Yalta Europe, now play a bigger, more important role than ever before. And yet, skepticism about European integration has grown in all the Community countries. The degree of this new Euro-resentment was suggested by the Danish referendum vote on Maastricht in June 1992; it was partially confirmed by France's very close referendum results on the matter—a measure of all that has changed in 1992. Not even the European Community, that innovative, constructive, and hitherto relatively uncontroversial international organization is immune against Western "collective fatigue." The ratification of the Maastricht Accord, if it does take place, will not do away with this general sentiment; on the contrary, it may even give it additional obstructing power.

What historians claim may be true: Europeans have been able to group together only in defense against outside danger; in this respect, the European Community was a natural complement to NATO. Nor should it be wholly surprising that the attitude to European integration changes as integration becomes more intrusive in the life of individual citizens. For over forty years of collective European efforts, the most enthusiastic supporters of unity were convinced that the inadequacies of their respective national states would be overcome through the Community. Italians hoped that "Europe" would force

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their petrified political system into modernization; French Euro-supporters saw in "Europe" the only hope for a more efficient, more sober France; British advocates for membership wished for their nation to be less provincial, less insular; Germans saw in "Europe" the best guarantee against a relapse into German great power aberrations. In short, Europe was seen as the necessary remedy to deal with all the ills of the nation-state. Now, as the European institutions encroach increasingly on day-to-day life, the nation-state has become, for many, the necessary remedy against the excesses of Europe.

Thus, at a time when doubts are growing over the adequacy of national political structures, supranationality is not enhanced but increasingly questioned and resented. Contrary to the experience of the past, collective structures do not appear to profit from uneasiness over national deficits. And contrary to what would be required in this time of increasing attention to domestic priorities and institutional drift, international arrangements that exist are in danger of being hollowed out.

Analysis is easier than prescription. The world is at sea; its affairs are in flux; whatever prescriptions are made are unlikely to prove satisfactory in the short run.

Today, Germany and the United States can no longer take for granted the basis they built over forty years. In the United States, a new administration, Democratic or Republican, whatever its intentions, is likely to see Germany more as a commercial competitor than as a partner in leadership. In Germany, with the fragmenting of its party system and the economic uncertainties stemming from unification, not to speak of other social tensions, a change of government in 1994 is at least conceivable. With a new team at the helm, less instinctively pro-American and pro-European than that led in the past ten years by Helmut Kohl, there is some prospect of new directions being taken. Changes that in the past occurred in a known environment, will happen in an unknown one.

Of course, the consequence of change is not necessarily further change; it can be stagnation as well. Indeed, Churchill's seductive dictum—"A problem delayed is a problem half-solved"—may become the motto for governments on both sides of the Atlantic, further reinforced by a populace which, however critical of existing arrangements, prefers the status quo to change. This trend has been obvious

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in recent months: No GATT (General Agreement on Tariffs and Trade) deal, no decisive Western action to contain the Yugoslav tragedy; perhaps even no Maastricht.

Of course, most of these arrangements are the inheritance of a past age. Yet, it is difficult to believe that there are, in the new era, serious alternatives to a strong European Community that can give a home to Germany, hopes to Eastern Europe, that can be a partner for the United States, or to an Atlantic Alliance providing a permanent cooperative framework among the major industrialized countries of Europe and North America. To take into account the new conditions of international life does not mean to abandon these earlier goals, particularly when no better ones are in sight.

It does, however, require, first, the recognition that the old framework that provided predictability and hierarchy to the affairs of nations no longer holds. This applies not only to US-German relations but to intra-Atlantic, intra-European, East-West, and North-South relations. It requires, second, the realization that, as François Mitterrand is in the habit of saying, one must allow time for time. After the historical earthquake which Europeans and Americans have lived through during these past three years, people are understandably exhausted. One need only remind oneself of how long the waves following similar historic eruptions ran in the past to appreciate the situation. The currents produced by the Reformation, the French Revolution, and two World Wars were not contained in a few years. The impact of the collapse of communism has not run its course; the waves still move across the waters.

There will be those who, given the uncertainties of the new era, long to return to the more calculable past—especially now that we know how it all ended. But there is no cause for nostalgia. The good old days, for those who lived through them, were not as idyllic as they now appear. Despite the stability of mutual deterrence and the convenient predictability of East-West rivalry, crises did occur. When they flared up, they spread across the globe in seconds, creating very real hazards. Security was always at stake.

Now, at least for the fortunate rich democracies of the industrial world, war is no longer a threat. It has become the sad prerogative of underdeveloped societies. Today, crises tend to be local, not global. And while, at the beginning of the Cold War, institutions for

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international order and Western cohesion had to be created from scratch, they are in place today, even if requiring major adjustment.

Perhaps the most important difference is this: in the past, mistakes received immediate punishment. Now, mistakes may be safely made because there is, in most cases, time to put things right again. To build a sensible future when nobody is sure how to do it requires the courage and imagination to experiment, to make mistakes. Amid all the uncertainties which hover over international affairs today, it is a small comfort to know that if we get things wrong, it need not lead to disaster.

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Diana Pinto

The Great European Sea Change

THE PERIODIC ASSESSMENT OF EUROPEAN-AMERICAN relations in the postwar period can best be compared to temperature taking by two hypochondriacs: a constant fretting exercise which rarely displayed a true fever, but which kept both mind and body perpetually worried over the slightest symptom. In the more than forty-five years since the end of World War II, the number of major crises that occurred between Western Europe and the United States could be counted on the fingers of two hands: the European Defense Community in 1954, Suez in 1956, the French pullout of the military wing of NATO in 1966, the extreme left terrorist spate of the late 1970s, the Euromissile crisis of 1982–1983, to which one should add in the economic sphere, the decision of the United States to go off the gold standard in 1971, the tensions generated by the oil shocks of 1973 and 1979, the frequent squabbling over Cocom technological sales restrictions to the Soviet bloc, and the never ending trade disagreements with the super protective European Community (EC) giant. Such slim pickings did not, however, prevent an army of intellectual experts who manned the radar of European-American relations with the intensity of strategic air command technicians from carving a whole universe for themselves out of the slightest change of moods, potential chill or impromptu declarations on both sides of the Atlantic. Like all concessions, this one was a self-perpetuating business. But in the new international context that has arisen since the liberation of Eastern Europe and the demise of the Soviet Union, the postwar transatlantic franchise may be coming to an end.

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As Western Europe and the United States each try to chart their own way through the debris of the Cold War order in what has become a continental labyrinth of resuscitated pasts, nationalist reawakenings, irrational passions, political fatigue, economic tensions, and strategic voids, whose most visible signs are the EC post Maastricht "blues," the GATT (General Agreement on Tariffs and Trade) disagreements, and the Yugoslav quagmire with its cortege of atrocities not seen in Europe since World War II, it is not surprising to hear once again the same Cassandra-like warnings: the historic transatlantic ties forged after 1945 are unraveling before our eyes. But this time such cries are not entirely unfounded. There is a ring of truth to them; we are no longer today in the midst of one of the countless false alarms that punctuated almost half a century of ultimately stable transatlantic ties.

Instead, we are entering a qualitatively different era in European-American relations, one that will lead to a greater distancing on both sides of the Atlantic. As a sign of the changing times, this distancing will not come primarily, as was always feared by militant Atlanticists, from a growing American disinterest in Europe, but from within Europe itself. For Europe, taken as a whole from Great Britain to Russia, is undergoing a profound "sea change," one of those cultural and political shifts that mark the end of an historical period. As always in such times of major transition a thicket of uncertainty and confusion often hides the long-term trends that reflect generational shifts, but the symptoms of a "sea change" are there. The most important one is also the most fleeting to seize—the growing awareness, well beyond the level of Eurotechnocratic elites, among citizens of different European countries, that they share an increasingly common destiny and common problems, common historical parameters while still remaining products of their very different national traditions. For those living in Europe there is a palpable feeling that the United States is becoming less crucial and relevant, that it will be even less so in the years to come for the major tasks that will confront the European continent. Suddenly, old quarrels and symbols that punctuated every phase of the postwar transatlantic relationship are losing their significance as new strategic and political conditions dictate greater pan-European orientations. Europe has ceased to be a "theater," a stake in superpower confrontation. It is slowly becoming itself, the principal actor in its own play, with the

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inevitable cortege of disorder, uncertainty, and fear that accompanies such a fundamental change. Questions arise: Will she be able to stand on her own feet; Is there a script; Will she know how to adapt her lines to what is becoming an increasingly complex scenario?

The growing distantness in European-American relations which we are likely to witness in the future must not be viewed with alarm. It is neither dramatic in itself nor a symptom of failure on either side of the Atlantic. We are no longer living in a Cold War logic. No one in the years to come will be able to say, that America, as with China in 1949, "lost Europe" sometime in the early 1990s. Rather, it is Europe that may be in the process of finding herself as a coherent actor, though the process will be slow, painful, and erratic. If this optimistic scenario proves to be true, the distancing we are experiencing today will be interpreted not as a fault but as a "coming of age," the inevitable conclusion of a postwar success story for which all Europeans have America to thank. As staunch advocates of democratic pluralism, Americans more than others must understand that a democratic and pluralist Western Europe may take its own road without thereby betraying the transatlantic alliance. The distancing between Europe and America will occur even if the pessimistic scenario of yet another European catastrophe generated by nationalist turbulence in Eastern Europe prevails; in that case, both halves of Europe will be so preoccupied with themselves as to make the question of transatlantic relations entirely peripheral. In either case, the age of East-West monolithic blocs is over. The cultural and political repercussions of such an historic sea change will take time to be fully understood, especially for those generations conditioned by postwar dichotomies.

Without being exceedingly or naively optimistic, this paper emphasizes the European reasons that have contributed to the present transatlantic distancing. It does not seek to minimize the current mood of pessimism felt by many of the Central European actors as they see their 1989 dreams of peaceful democratic revolutions tarnished by renascent nationalist movements, economic doldrums, and ethnic tensions, with the Yugoslav tragedy serving as a backdrop. While neither the Central European nor the West European balance sheet is sufficiently adverse to justify a pessimistic stance, the "optimistic" reasons for the transatlantic distantness are too seldom invoked.

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Transatlantic relations in the postwar period were based on a passion play in which the United States had a very clearly established role; Western Europe floated in a series of semiadult identities. America was the headmaster, policeman, and shepherd of a democratic free world, the ultimate guarantee against a domestic Communist and international Soviet threat. Western Europe was of course America's ally and full partner in formal terms, but the reality of the transatlantic relationship was far more complex. Americans tended to view European nations as pupils in a democratic classroom of which they were the headmasters, as a flock of endangered sheep which they as shepherds had to protect from the Soviet wolf, and as a series of selfish and often fickle individual states to which Americans had to give shape or keep in line, not unlike the triangle containing billiard balls on a pool table.

One could indeed wonder whether without the American framework, European countries would not scatter in contradictory erratic directions, not only with respect to the Soviet enemy but also with respect to their collective logical interests. For most of the postwar period there was in effect very little "Europe" to talk about beyond the growing economic cooperation within a European Community still very much criticized both on the Left and on the Right in each European nation. Not only did national differences prevail at every significant turning point, but from the American point of view, certain European countries were "better" or "easier" than others as members of the Western Alliance. Great Britain occupied a very special place of her own. She was the only "total" ally, the responsible partner, the one with which the United States shared the most important cultural and political affinities. Germany was of course the model pupil, whose democratic rehabilitation testified to the validity of American democratic medicine. France was the impossibly stubborn and independent pupil who always stood out by its requests and demands, but which nevertheless could be counted on in periods of acute crisis, as with the Cuban missile crisis. Italy was the problem child, the weak student that could succumb at any moment to the temptations of the ideological enemy within. The nondemocratic status of the Iberian peninsula, could be condoned so long as it welcomed US bases, vital for Western security.

This complex hierarchical evaluation of America's European allies helps explain many of the postwar transatlantic tensions when, at

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one point or other, with the exception of ever-faithful Great Britain, America could accuse its European allies of not "towing the line," showing the proper transatlantic solidarity. The stern headmaster could always turn to quarrelsome and capricious European allies with the threat that someday American public opinion would lose patience and interest in ungrateful European allies and turn away from the European theater, leaving them stranded on a hostile continent. In brief, American elites could invoke a possible American neo-isolationist backlash as a way to keep the European "flock" together. In this as in every other sphere of the Alliance, America set the tempo and gave substance to the transatlantic relationship.

Europeans were left, often because of their own hesitations and divisions, with largely reactive stances. They were the ones who had to adapt to American strategic decisions and influence their own national debates so as to make sure that what seemed in American eyes to be internal local "quarrels" did not become stumbling blocs for European-American relations as a whole, stumbling blocs provoked by fractious and therefore "bad" European forces. At one time or other, French Gaullists, Italian Communists, German or Dutch pacifists, and nationalists of all stripes fell under the ban. It is this, though extremely simplified presentation of postwar transatlantic relations with their structural imbalances, which has now finally come to an end. In this context, it matters relatively little that skeptics stress to the degree to which a united "Europe" remains a figment of the imagination. They point, not without reason, to Europe's inability to handle the Yugoslav crisis, its cacophony of wills, its essentially nationalist cultures and economic preoccupations, so vividly incarnated on world television screens by French farmers burning rival agricultural products, German strikers pursuing their own highly inflated social demands, not to mention Italy's Mafia murders. What matters in European-American relations is that a European nebulae, going well beyond Western Europe, is consolidating independently of an American pole. The scattered elements of the European continent are spinning increasingly around the central economic but equally symbolic core of the EC. Indeed, the current spate of post-Maastricht "blues," the intense questioning and even fear of the scope of such political and economic unity, furnish the best proof of how far the European integration process has advanced. As this process becomes

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more intensified, the differences between the European and the American world outlook will become more readily visible.

Beyond the stalemate in the GATT negotiations and the mutual recriminations and handwringing over the fate of former Yugoslavia, far deeper cultural and historical reasons explain the increasing distancing in European-American relations. The end of the common Soviet threat lifted the veil on long-standing differences that had always been minimized. However, other equally important factors are at play: the return of long-standing historical forces and geographical considerations as prime movers in the life of a newly reawakened continent. These forces were in abeyance in the essentially ahistorical and transnational Cold War climate. Also, there is an increasingly visible shifting of cultural and political priorities both within the EC and beyond, away from the transatlantic "axis" toward more continental preoccupations, even on the part of traditionally aloof Great Britain. These changes will take on their full meaning in the years to come when one may expect to see an increasingly confident Europe project its own brand of democratic pluralism, tempered by welfare state egalitarianism and political regulations of the economic sphere, as a "rival" model to classic American democracy. Ultimately, the most important factor in the distancing will be the coming to the fore of a new European generation. Those coming of age now and for the rest of this century have quite different intellectual parameters than their elders. They no longer are fixated on America, whether positively or negatively; the United States does not have a predominant place in their collective lives. For them the old cleavages between pro- and anti-Americans, that dictated the postwar ideological camps in Continental Europe, no longer make sense. America may elicit their interest, praise, or criticism but in the end remains a distant preoccupation when compared to the increasingly pressing and more palpable European challenges that lie ahead. The American "reference" that once played such a crucial role in postwar Europe is suffering from battle fatigue; one might even say, irrelevance.

The inevitable weakening of the transatlantic relationship which all of these changes portend ought not to be perceived by Americans with alarm. Europe's "coming of age" is taking place in a political context which so far avoids (with the exception of former Yugoslavia) authoritarian and military solutions. For the first time since the

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beginning of World War I, Europe is free of ideological cleavages. One must of course not minimize the economic pain and anguish that accompanies such a period of transition, particularly in Eastern Europe. Nor can one gloss over the social dangers of an epoch that has lost its former authoritarian bearings and not yet found stable and accepted democratic substitutes. Pessimistic analyses of Europe's current situation, however, are far too simplistic. They fail to take into account the crucial time factor. Backward countries, experiencing totalitarian rule, cannot be transformed into mature democracies overnight. One ought not to transpose our electronic universal-time stock market logic and consumerist search for instant gratification to societies whose tempos are infinitely slower. Nor should we forget that even Western Europe's postwar "miracle" took a good decade and a half to become visible. It is crucial to assess Europe's current organic transformation and its consequences for the transatlantic relationship in a much more open framework, which accepts Europe's distancing from America as a healthy symptom of adult coexistence between members of the same democratic family.

Given the incredibly rapid transformations taking place virtually every day on the European continent, where nation-states emerge or reemerge and new elites assume power with what can only be called revolutionary speed, the only sensible approach in analyzing Europe's relations with America is to focus on the different cultural and political assumptions and world outlooks that are principally responsible for the growing transatlantic distancing. Different readings are today being given to the extinction of the common Soviet enemy, the return of history and geography, the growing rivalry between democratic models, the new challenges and priorities confronting the new generations.

THE END OF THE COMMON ENEMY

For the greater part of the postwar period, Western Europe and America were like brothers, one older and weaker, the other younger and stronger, held together by the need to fight a common enemy, the Soviet Union. The material as well as metaphorical costs of this fight were such that neither could afford to stray for long from the task at hand. Now that the Soviet threat is gone and there is no major enemy prowling at the doorstep, it is natural that each "brother"

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should withdraw into his own sphere, tending his own family business and domestic concerns, and that the older brother (Europe) should seek to go off on his own to "find himself." This relaxing of the postwar bond should not be equated with a breaking of ranks, but with a natural shifting of priorities, one that in no way precludes concerted action or cooperation in the future. But it would be hard to deny that the loss of a common enemy has taken away some of the adrenalin that fueled the transatlantic relationship.

The end of the Cold War order, for deep historical reasons, could only be interpreted in profoundly different ways by Americans and Europeans. The nearly fifty years that separate us from 1945 correspond to almost one-fourth of the history of the United States, the one-fourth in which it became the leading world power. The same fifty years, a mere fraction of European history, correspond not only to the period in which European nations lost their collective power and former splendor, but more to the point to a period of tormented history. For Americans, the end of the Cold War period could only mean an inevitable downshifting in their power; for Europeans, it could mean the return to a greater political and cultural centrality, for better or worse, in a world that was once again open. In both cases the shift is traumatic, but the challenges for Europeans are in a sense more positive since they may portend a "renaissance" of the Old World. Since America was already at her apogee, she has no similar "renaissance" in store; there is no going back to the pristine world before 1945 and 1918. The fifty years of recent past are the only meaningful capital with which America can play in defining future roles. By winning the Cold War, the Americans lost something: a well-packaged and neatly dichotomized world where there were nice guys and villains, an unquestionable pecking order of authority in the name of freedom and democracy. For Europeans, the Cold War order was not so much "evil" (as Americans thought) but profoundly "unnatural," running through the heart of Europe, dividing friends and neighbors, destroying age-old diplomatic and economic ties, leaving national versions of the Communist enemy within (in France and Italy) or just next door (in the Federal Republic of Germany). A permanent distorting agent, the Cold War order prevented each European country from following a more natural course, dictated not only by political and democratic considerations but also by geographic proximity and historic traditions. Many minor transatlantic

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crises drew their origins from this structural incompatibility between the United States and the European members of the Alliance, the latter seeking to enlarge their room for maneuvering in a dichotomized world.

Western European elites in the postwar period, bound to America by what was often called the "geography of values," feared that the Soviet threat or an internal Communist victory would undermine the very bases of their renascent societies and economies. America was at once a political model for democratic pluralists and an insurance agent for anticommunists. The end of the Soviet threat and the concomitant demise of Communist Parties both in Western and Eastern Europe has transformed European political life. It is no coincidence that the liberation of the "other Europe" sparked off a major debate in Western Europe on whether the EC should give priority to its deepening or to its enlargement. This debate which has taken on a new importance in the wake of the Danish "no" to Maastricht is highly symptomatic of the new post-Cold War transition. Intra-European questions now occupy center stage, having superseded the once perennial debate on the role of the United States in Europe, relegated to a secondary position on the European agenda. No one has a clear answer to offer on European-American relations; other European economic and political matters seem more pressing. Yesterday's transatlantic elites increasingly shift their gaze elsewhere, becoming militant activists of a greater European integration while their traditional left-wing opponents discover the charm of a nascent nationalist rhetoric. In both instances, the shadow that a benign or ominous Uncle Sam once cast on Western Europe has nearly faded, except for the few diehard nostalgics of anti-Americanism. The transnational postwar "American camp" has effectively lost its raison d'être.

For America, the fact that few West Europeans now spend much time praising "transatlantic unity" is a dramatic and negative change. Viscerally tied to the reassuring logic of blocs, Americans feel ill at ease with the complexities of the new European cacophony, even when it is the product of impeccable democratic processes, and when there is no longer a Soviet giant that can benefit from Western divisions. America has not yet fully understood that universal harmony and the constant identity of interests among members of the same democratic family are not easily achievable and certainly not the "stuff" of international relations. After having placed for so long,

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in typically puritan fashion, all blame for world tensions on the evil Soviet threat, can the United States tackle the complexities of a post-Cold War planet, where on the European continent at least, there are no longer easily identifiable villains, with the single exception perhaps of Serbia's Milošević? The reconciling of equally legitimate and divergent interests will increasingly become the rule of the game as the subtle interactions of history and geography replace the ideological certainties of yesteryear. It may well be that the old, prudent at times, cynical but at any rate patient West European democracies may be better equipped for an international realm where gray has replaced black and white.

THE RETURN OF HISTORY AND GEOGRAPHY

During the postwar period, Western Europe was tied to America by the "geography of values." With the demise of the Soviet threat, it is now rediscovering the value of geography and of history; the "Eastern" half impinges on its daily life whether Western Europe likes it or not. While official statistics tell us that Western Europe remains conspicuously absent in investing large amounts in Central and Eastern Europe, this does not prevent the "other" Europe from invading West European minds and preoccupations, producing both fear and hope. Though the United States is just as present (or absent) from Eastern Europe as the EC, this return of history is lived very differently on both sides of the Atlantic.

For a future-driven country like the United States, scarcely accustomed to considering time as a long-term commodity, the past is the past. Its return can only constitute a step backward to a regressive era, particularly in Europe whose twentieth-century history was tantamount to a collective suicide. Despite the oppressive nature of communism, the United States found profoundly reassuring the transnational blocs that emerged in the postwar period, that relegated the boisterous little nations of Eastern Europe and the equally problematic ethnic minorities to the realm of folklore. A country proud of its multiethnic and multicultural synthesis, the United States does not feel wholly at ease with the current spate of nationalist revivals in Europe, with their often anachronistic claims and economically dysfunctional consequences. These, they fear, offer potential ammunition for renewed tensions and even small-scale wars. The

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European past that the United States looks back to, with horror, is that of the interwar period, when she was herself absent from the scene and Europe slid down the path of barbarism and self-annihilation.

The European reading of the return to the past is much more complex. Behind the very real worries that European elites have about the slow pace of European integration in the West, the difficulties of economic restructuring in the East, the past they choose to refer to is considerably less dramatic than the one Americans associate with Europe. They are profoundly grateful for the end of a postwar period during which Europe was cut in two, artificially paralyzed by the fear of total war, no longer free to roam in its own historical space. While both Europe and the United States rejoiced during the great democratic upsurge of 1989, Europeans have been far less dismayed than Americans by the surfacing in Eastern Europe (and even in Western Europe) of all the nationalist and even xenophobic currents that forty-five years of totalitarianism had stifled. Their sense of time and history lead them to relativize the return of such unpalatable "demons." The rise of neo-Nazi movements may be interpreted in two ways: proof that Europe has not managed to purge itself of its self-destructive racist venom and that the climate of the 1930s may once again resurface; proof that the paralyzed half of Europe is at last waking up to life, bringing out its repressed hatreds as a first step in clearing the air for a future democratic coexistence. Not uncharacteristically, Americans tend to the former interpretation; Europeans, while not minimizing the racist danger, tend to opt for the latter. Their reading of ethnic and racial violence is less the product of a sanguine vision of history than of a realistic assessment of human passions.

If one may judge from the recent spate of books, Europeans are turning spontaneously to two equally resplendent phases of their long past: the "Belle Epoque," at the turn of the century; and the Enlightenment, when a European elite crossed national borders with ease still not recovered. In both cases the past is represented as one of opulence, self-assured historically proud cities, radiant countrysides, open borders, great literary, architectural and cultural exchanges; in brief, Europe at its pinnacle, before the French Revolution inaugurated ideological intolerance and national wars, before World War I ushered in Europe's collective suicide.

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It is this past which Europeans today, consciously or unconsciously, seek to recover, all the more eagerly because they know that this time around it can be different, Western Europe being infinitely more democratic and just than it was under l'ancien régime, the EC being an instrument to relativize the scope and power of self-determined nation-states. But above all, as against the Belle Epoque with its barracks filled with soldiers and officers yearning for action, those who predict a European renaissance in the twenty-first century argue that Western Europe, thanks to the strength of the EC, will show its other half how to bring about peaceful coexistence among previously warring neighbors. As such, it offers a more significant model for our present epoch than "exceptional" ahistorical America which ruled over the postwar period. While it is much too early to tell whether this scenario is plausible or simply the figment of over-zealous imaginations, the mere fact that such hypotheses are offered is significant as a sign of renewed confidence in a European sense of purpose.

History fuses with geography as today's Europeans find their bearings in a liberated East, reopen trade routes, renew commercial ties, build bridges, and restore to life a pan-European continent that has not been equally open since 1914. Full airplanes and crowded hotels are better indications of this long-term historical trend than the dismally slow pace of Western economic investment in the East today. Once again, our internal clocks require changing. Contacts are being made today whose repercussions will be apparent only in the years to come.

Cultural specificities seem to defy every transnational social scientific affirmation of the 1950s and 1960s. As Byelorussians and Ukrainians spring forth from centuries of sleep, as the Baltic States recover their independence, as the spirit of Königsberg again floats above the Eastern marches, and Germany reminisces over its former peaceful cultural influence that took its language to the doors of Saint Petersburg, one can measure the extent to which Europeans are slowly but surely turning inward in a potential love affair with themselves, a love affair which at the moment leaves very little symbolic room for that strappy younger brother across the ocean, whose very presence can only remind them of the darkest pages of their history. Such a love affair is reenacted almost daily in the myriad exchanges throughout Europe as new nations are welcomed and old

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ties reestablished. Paintings and photographs serve as reminders of long-lost diplomatic relations, cultural exchanges, and family links, small concrete symbols from which America is largely left out. These mementos from the past are not brought out for nostalgic reasons; they symbolize the yearning for new ties.

The temporary quarters of the French Embassy in Vilnius are typical of this constant rebraiding of history. Today the French flag floats over an ancient Polish palace where Napoleon sojourned on his way to Moscow during his Russian campaign. Lithuanians, looking for visas, stand in line under a myriad of black and white photographs representing France's plenipotentiary ministers who guaranteed the independence of the Baltic Republics. Pessimists may scoff at the token nature of these symbols, but in the long term such cultural ties are far from marginal. The United States, after all, had the postwar wisdom to take such a long-term cultural perspective with respect to Western Europe's own elites.

At a more mundane level of trade, geography is also seeking her revenge: Italy renews its historic links with Hungary; Slovenia with Austria; Russia with Turkey; Scandinavia with the Baltic States; Greece with the Balkans. In the reactivation of trade routes that go back to pre-Christian times, the equivalent of Lotharingia springs forward as the core of the EC. Geography has once again taken precedence over ideology. The physical proximity of Europeans to each other conditions their identity in ways that Americans cannot experience. The very moving return of members of the Lithuanian, Ukrainian, or Polish diasporas from Canada and the United States to their newly independent fatherlands to provide training and assistance will prove less important ultimately for the existence of these new countries than the incessant trickle of trade and cultural relations with neighboring foreigners, Germans or Poles, yesterday's enemies, inaccessible strangers. Pessimists will again point to the negative impact of the return of history and geography in the case of the imminent Czech and Slovak divorce; optimists will argue that separations are at times better than paralyzing marriages. Again, it is too early to tell; still, West European attitudes in curbing any incipient ethnic violence will prove critical.

While the dissolution of the Soviet Union and the return to Europe's historical and geographic specificity offer essentially static explanations for the current distancing between Europe and Amer-

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ica, suggesting that the two halves of the Atlantic, behind their Cold War unity, drew on quintessentially different historical identities. A third cause for the distancing is more positive and dynamic. It stems from the fact that Western Europe and the United States have become virtually identical in their common allegiance to pluralistic democracy, to the point where the US example is losing its original attraction, becoming relativized in favor of what one may call, for lack of a better term, a twelve-starred definition of democracy, one that can only make American eyebrows arch. Specialists of Western Europe, especially in the United States, who devoted their entire professional lives to the field of "comparative politics" made a point of comparing and contrasting not only American and West European democratic systems, but Europe's own very different democratic traditions. The French presidential system, German federalism, British parliamentarism, Scandinavian social democracy, among others, were scrutinized as so many distinct and incompatible forms of political organization, whose eventual fusing could lead only to sterile hybrids. In such a scheme, there could be no "European democracy," but only an infinite succession of incompatible, separate, and distinct incarnations.

The successful democratization of Spain and Portugal in the late 1970s, the decline of the Communist Left, the growing value placed on human rights as the cornerstone of Europe's identity, the increasing reference made to pluralist "democracy" as the principal motor of the EC, more important than purely economic considerations, and, above all, the incipient democratization of Eastern Europe made political science categories virtually irrelevant from both a symbolic and practical point of view. For these newcomers to the European club there is something called "European democracy" to which they aspire, incarnate in the blue twelve-starred flag. Europeans are convinced today that they share similar democratic principles, that the political mechanisms underlying their respective nation-states are compatible. They tend to view their differing democratic institutions as so many variations on a theme, not unlike the national or linguistic differences that will not disappear from even the most united Europe. Out of such a cacophony of models is emerging a pluralist notion of European democracy, increasingly contrasted with that of the United States. Such a vision may defy

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political theory but it is becoming a new cultural fact, halfway between rhetoric and reality.

THE TRIUMPH OF PLURALISTIC DEMOCRACY

In the ruins of postwar Europe, with an exhausted Great Britain, the United States shone as the only universal liberal democratic beacon, for all who sought to rebuild democracy on the Continent, who were neither reactionary conservatives nor revolutionaries who looked sympathetically to Moscow. Starting with the Marshall Plan and continuing well into the 1980s, the United States played a primordial role in shaping and educating European elites who discovered its political system and values, along with its modern industrial culture and technology through a thick network of fellowships, professional exchanges, private and state subsidized visits. Compared to the often violent ideological climate of continental European political life, American democracy shone by its moderation, tolerance, by its well-functioning division of powers. For the greater part of the postwar period, the United States offered vital oxygen; it constituted the only concrete supranational framework to which dynamic Europeans could refer, relativizing their own national questions, thinking in terms of a wider European perspective. Indeed, many discovered their European identity and forged important European contacts while in the United States. One should not minimize the importance of such mutual discoveries at a time when life in Europe was very much closed in on itself living with near hermetic national identities, especially in the 1950s.

America's "pupils" learned their pluralistic democratic lessons well despite certain major obstacles. Communism, anti-Americanism on the Left and the Right, authoritarianism, terrorism, pacifism, the most intolerant forms of environmentalism presented grave dangers to the pilgrim's progress. From the star German pupil whose state constitution, judicial system, and decentralized national life was specifically designed by the Americans to counter the Prussian heritage in the immediate postwar period, to independent-minded Gaullist France, which only discovered political alternance with the coming to power of the Left in 1981—the same year that Juan Carlos kept the embryonic Spanish democracy on course—the pluralistic democratic message finally "took." So much so that in the 1980s

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Europeans were even willing to lend a sympathetic ear to Reagan's political and economic vision of the world, whose implicit Darwinian tenets could not have been more removed from their own social and cultural traditions of state protectionism.

Today's Western Europe has placed democratic pluralism at the core of its collective identity, while the "other Europe" aspires to follow suit. From Estonia to Albania, each new nation and reawakened ethnic group, with the exception only of the Serbian leadership, aspires to independence, democratic rights, and a European identity. Free elections, a free press, an independent judiciary, constitutional checks and balances, and economic liberalism are considered basic tools by a West European population that scarcely remembers when such institutions were either illegal or hotly contested on the Left and the Right. The result of such a universal conversion to the tenets of democratic pluralism has been a democratic smorgasbord, replacing the old standard Anglo-American democratic menu. The principles remain the same but the original American recipe is relativized to the point where the United States is no longer the compulsory democratic reference. This outcome is the supreme victory of American democratic values, but as is often the case in history, victories arrive at the wrong moment. America's European "children" are beginning to measure the United States by their own reading of pluralist democracy and find her wanting. They increasingly feel that "mother" is losing its democratic aura, slipping on the path of political indifference and social decline, with its correlates of racial and economic injustice, most recently incarnated in the Los Angeles riots. If Americans are quick to emphasize the rise of racist xenophobia and of neo-Nazi groups in Europe as proof that Europeans are still infected by the terrible germs of the 1930s, Europeans are increasingly pointing their fingers at America's ghettos and the underclass to claim the innate superiority of their own centrally-regulated welfare state pluralist democracies.

Also, the United States no longer serves as a useful supranational reference for Europeans. An increasingly strong EC has taken on this role; today's new Europeans are able to relativize their own national experience within Europe by simply crossing over practically invisible borders. It is unnecessary to go to the United States to discover the latest industrial, managerial or technological techniques. In most of these fields America has lost its impressive competitive edge. The

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American economy no longer determines the growth cycles of the rest of the planet, as it did in most of the postwar period. Americans have explained, far better than others, the reasons for America's relative or absolute decline even as they remain the only extant superpower. US weakness does not mean that the country has lost its aura entirely, that it is an emperor without clothes. It simply means that Europeans look at the United States now as a more equal partner in an increasingly complex international setting, a partner that still retains one exclusive prerogative and total superiority, in the strategic military realm.

For the greater part of the post-World War II period, given Europe's ideological divide and the presence of a strong revolutionary Left, the "American" label evoked passionately positive or negative feelings. American "imperialism," whether cultural or political, was perceived by the intelligentsia, and not only by the intelligentsia, as a very disruptive force in West European life. It is difficult today to think back to the time when communist intellectuals feared Coca Cola bottles more than American tanks; they were thought to be the insidious agents of American imperialism. Today, Coca-Cola, blue jeans, American films, and even American football and baseball have invaded the life-styles of Europeans from Lisbon to Vladivostok. Never have so many young and not so young Europeans come to resemble Americans so much in their leisure attire, fancy running shoes, or food habits. This American visual presence, however, is totally devoid of any deeper political or cultural significance. Europeans may dress increasingly like Americans but they do not wish to be Americans. When questioned, French teenagers who sport 1950-style football jackets, rap caps and Reeboks, who eat brownies in special American cookie stores, are adamant in asserting that they do not want to imitate American democracy, that French society is more open and just than the one that produced the Los Angeles riots. This is true also for France's Blacks and Arabs who, sporting the latest Harlem fad, proudly stand behind the French ideal of "La République" as opposed to America's multiculturalism. What is true for France is also true elsewhere in Western Europe, as youths increasingly display a "we prefer life here" outlook, the "here" referring to Europe as opposed to the former land of the American "dream." Perhaps the clearest example of this tolerance for and indifference to American symbols has been the virtual silence sur-

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rounding the opening of Eurodisneyland in the outskirts of Paris. One can easily imagine the cries of outrage a decade ago that would have attended such an event. Today, Mickey Mouse simply evokes indifference. America has become a redundant image; it evokes a feeling of déjà vu more than adventure.

If cultural anti-Americanism is dying, so is political pro-Americanism. The United States no longer constitutes the obligatory route for Europe's elites. The American Ph.D., and even more importantly, the American M.B.A. are no longer considered necessary to a well-thought out European career. European schools delivering the same type of diplomas have mushroomed in the last decade, and students prefer to study in Europe. Multinational study programs, incorporating a year in London, Paris, Milan, Hamburg, and Madrid are thriving to the detriment of the year once spent in Cambridge or Berkeley. Great Britain has resumed its English language role inside what some call twelve-starred "fortress Europe." This does not mean that the United States has disappeared from the European horizon; the American university "stopover" remains valuable as one possible destination among many, accessible though no longer affordable. It is no longer the only "exotic" reference.

Transatlantic ties are slipping. Those who have followed whole generations of young Germans making the pilgrimage to America, agree that today's youth know English less well than their fathers, for whom the language represented an escape route from a tortured identity. Professional exchanges are also faring less well. European parliamentarians or journalists are too busy with all of their European commitments to find time (or need) for an American pilgrimage. They lack the keen interest in transatlantic relations characteristic of their predecessors. Europeans are indeed becoming more like Americans; tending to view the "other shore" as very far. Because there are few advantages for ambitious Europeans in a prolonged stay in the United States at a time of intensive competition for jobs and positions, when Europe itself is taking shape, Europe has become the land of discovery. Paradoxically, America has become the known quantity in a vastly expanded universe; the land of adventure for the fathers has become banal for the sons. Today's young men and women are more likely to head "East"—both to Asia and to Eastern Europe—than toward the proverbial "West."

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In Eastern Europe and the former Soviet Union, the turf of the former common enemy, the United States and Western Europe are behaving increasingly as competitors, not only with respect to economic aid and commercial investment, but, perhaps more importantly, in the symbolic field of democratic assistance. European and American constitutional and parliamentary specialists, along with economic and technical experts, foundation and university directors, canvass the same battle-fatigued new democratically elected elites, proffering advice, selecting promising young candidates to train at home, instilling the values of pluralistic journalism. Eastern Europe, confronted with two teachers, has to choose between them: the original American democratic experience, or the more applicable European adaptation, with its mixed economies, welfare state protection, and careful regulation of civil society. The danger is that it will take a bit from both, producing a true democratic cacophony. This embarrassment of riches, while problematic for elites from former communist countries who have not mastered the full implications of a working democracy, is a telling proof of America's victory in the Cold War. In the world today, there are competing democratic models. Is the United States at this point strong enough to appreciate such a sophisticated "second degree" victory? Or does it harbor the views of yesterday, that Europe, while economically strong, is too weak strategically to trust? Grand gestures of noblesse oblige may imply feeling secure in one's status; this may no longer be America's condition.

CHALLENGES AND PRIORITIES FOR A NEW GENERATION

The West Europeans coming of age today possess an entirely new perspective on the world; it is not that of their postwar parents and grandparents. For the first time since 1914 they have a fully open European continent to reassess. Free to roam in many pasts, without the slightest ideological or other constraint, they can explore their national roots without feeling any contradiction with a wider European identity. In time, if one is optimistic, the particular and the multinational will mesh, when it becomes self-evident to all that it is possible to be Slovenian or Lithuanian and European, just as today Germans, Spaniards, Italians, and French travel with burgundy EC passports. Nor will culture be the only venue for their energies. One

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need think only of all the roads that Europeans must rebuild, the cities to be reconstructed, the economic and industrial links that must be forged, the ecological catastrophes to be remedied, the political mediations that will have to be engineered to ensure a nonconflictual European environment. Minorities will have to be protected; immigrants will have to be assimilated; many pasts will have to be respected if Europe is to come fully into its own. These are not poetic challenges, but major issues for a Europe increasingly aware of its total interdependence.

Is this new Europe willing and able to tackle the immense responsibilities that must accompany such major challenges? Can West Europeans transcend their postwar smugness and strategic passivity—the legacy of their comfortable transatlantic tutelage—to take on the dirty work ahead? Will they interfere militarily against Serbian extremists, become engaged in Eastern Europe's economic desert, and agree to act on their new democratic rhetoric? Will they finally realize that the whole of the Continent is very much their own "backyard," to which they must give attention? Conversely, will East Europeans modulate their century-old passions for national identities and democratic rights, keeping in mind that after having dismantled composite nation-states to attain national identity, they will have to recompose similar supranational ties again, granted perhaps this time on a more equal footing?

Not surprisingly, such challenges generate as much anxiety as joy. Freedom is traumatic. In the great European "sea change," protectionist reflexes are being destroyed, sinecures are disappearing; time-worn structures are caving in before the winds of competition. Entire geographic areas of Europe and not only in the East, will have to convert to meet changing market needs. In the newly created states, ethnic fears and unrest will need to be curbed; democratic attitudes will have to be instilled slowly in populations that never experienced them, in their prewar or postwar political systems. It is natural that many Europeans are worried today, frightened about the future, unsure of their own place in such a rapidly moving world. Quick to seize on problems, slow to remember both the recent and more remote past, with its cortege of horrors, they are at times morose and impatient. Still, they understand that Europe is today at a fascinating crossroad in its millenial history. Worried about tomorrow, they are not in the least nostalgic for the postwar world of

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yesterday. This will be Western Europe's greatest challenge in the immediate future—to make certain that the continent will not regret the world order that came tumbling down with the Berlin wall.

Europeans move cautiously, showing their anxiety, in a Europe that resembles at once both a vast construction site waiting to be built and a prodigious archeological find. Still, they know that they have no choice; in the end, they will have to adapt to their new size. Younger generations, aware that the dialogue between a European past that waits to be demystified and a future that can only be pan-European are confident that it is intended to produce a more livable continent. As they move from a conglomerate of rich countries without any necessary purpose to a pan-European space where democracy and a market economy will have to be created, often with tribulation and difficulties, it is easy to understand why at this critical junction they are too absorbed with themselves to cast their eyes in America's direction. This turning inward is salutary. It ought to be matched by an equally important inward turning on the part of the United States which needs to heal its social and racial wounds, catch its breath, find its new national purpose.

Americans can only contemplate the slow potential renaissance of Europe with contradictory feelings. Their own national identity was forged in opposition to the injustices and decadence of the "Old World." Two centuries of active contemplation from the "other shore" reinforced their feelings of superiority. The horrors of two world wars convinced them that Europe as a powerful creative entity was finished, a spent Greece in the days of Rome. In the postwar period, Europe had to be put back on its feet, strengthened for itself but also as a buttress against the Soviet threat. It was no longer judged capable of a significant "rebirth." Now, just at the moment when the United States is itself confronted with some of the most crucial questioning about its social and cultural identity, its values and ability to fulfill its traditional dream, brash new West Europeans, refusing the image of belonging to an "old continent," distanced from the black hole of the 1930s and 1940s, are slowly but surely forging a new identity for themselves. One can only hope that this growing West European feeling of belonging together in a coherent European space can provide the necessary model and force with which East Europeans can overcome their age-old hatreds and tensions.

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The transatlantic relations that governed the postwar period, based on a common enemy and a weaker Europe learning her democratic lessons from a more experienced America, have effectively ended. The new relations that will emerge will be based on a greater sense of equality. For that to happen, each side of the Atlantic must have a better sense of its strengths and weaknesses, together with a greater respect for its historic partner. In the interim, no harm will come if transatlantic relations are temporarily put on a back burner. In this highly complex world where new barbarians threaten fragile democracies, a reconstituted Greece bolstering a declining Rome will be more than welcome.

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Paul E. Peterson

An Immodest Proposal

It is a melancholy object to those who walk through this great town . . . when they see the streets . . . crowded with beggars of the female sex, followed by three, four, or six children, all in rags, and importuning every passenger for an alms. These mothers . . . are forced to employ all their time in strolling, to beg sustenance for their helpless infants, who, as they grow up . . . turn thieves for want of work. . . .

—Jonathan Swift
"A Modest Proposal"

IT IS IMMODEST TO PROPOSE THAT ALL CITIZENS, even our youngest, should cast votes or have their votes cast for them by their parents or guardians. The proposal would be facetious were it not for the fact that elected officials, to be successful, now must attend strictly to the short-term self-interests of those directly engaged in the political process. It is not simply the spend-now-pay-later reelection strategy that has become commonplace in Washington. It is not just the pollute-now-conserve-next-century policy choices that remain in vogue. Incredibly enough, it is not just future generations who are being asked to pay for the pleasure of today's voters: it is the country's own children who are being asked to sacrifice.

The extent of this sacrifice becomes most evident when children's welfare is compared to that of the elderly. Both age groups depend upon governmental programs, and both have a claim on public resources. Both are represented by organizations that state their case

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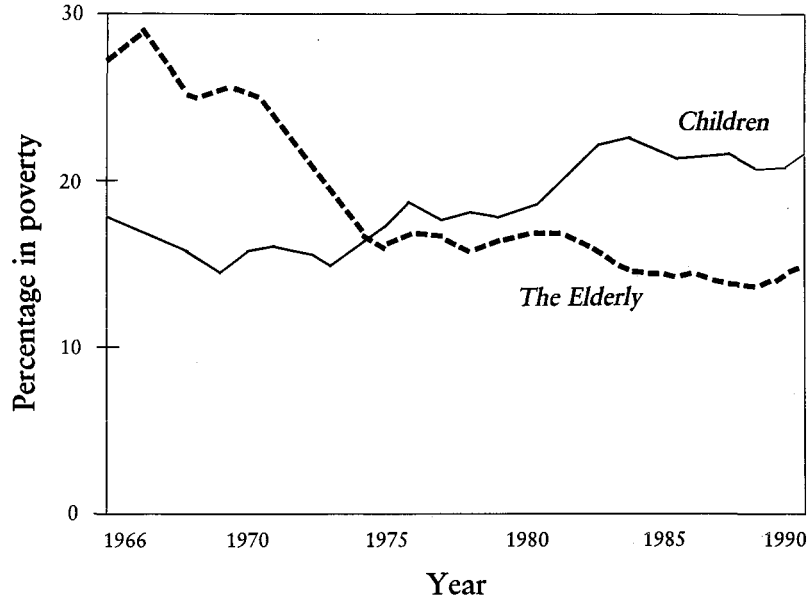
Figure 1. Poverty Rates for Children and the Elderly



Source: The Green Book, Department of Health and Human Services, 1275.

before Congress, state legislatures, and executive departments. But only one age group has the vote.

A comparison of the two groups can now be made by examining the comprehensive, fact-filled, 1,888 page Green Book on social welfare policy in the United States released in May of 1992 by the Ways and Means Committee of the House of Representatives. This document contains detailed descriptions of numerous federal and state programs, numerous tables describing changes in socioeconomic conditions and government expenditure, and useful summaries of important studies relevant to the making of welfare policy. It is an increasingly well-known, if still not official, source of information on the state of welfare policy in the United States.[1]

CHANGING POVERTY RATES

The Green Book shows, among other things, that poverty among children is moving in a direction diametrically opposite to the trend prevailing among the elderly. As can be seen in *Figure 1*, the poverty

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rate for those over the age of 65 fell from 35 percent in 1959 to 25 percent in 1970, and dropped another 12.5 percentage points between 1970 and 1989, reaching a nadir of 11 percent (turning back up slightly during the recession of 1990). Meanwhile, poverty trends among children have been moving in an upward direction. After falling in the 1960s, the percentage of children under the age of 18 living in poverty increased from 14 percent 1969 to 21 percent in 1990. Thus, the poverty rate among the elderly and among children has been changing at roughly the same rate but in opposite directions.[2]

Some will argue that these scissor-like trends have little to do with government policy. The increase in poverty among children is due, it is said, to the declining hourly wages paid to those without a high school education, to the increase in female-headed households, to the increase in job competition from workers abroad, and to the legal and illegal immigration from impoverished countries in Asia and Latin America. Blame should not be placed on governmental policy or voter self-interest but on social and economic trends well beyond the capacity of governments to alter.

We do not discount the impact of these economic and social changes on children, nor do we accept the proposition that the government is helpless to respond to these changes in its economic and social environment. The United States is not the only industrial country suffering from a slowdown in its productivity rate, encountering increased economic competition from abroad, or witnessing major changes in family life. Yet the poverty rate among children in seven other industrial countries with roughly comparable living standards—Australia, Canada, France, Germany, the Netherlands, Sweden, and the United Kingdom—averaged just 7.4 percent in the mid-1980s.[3] In the United States, the rate is much higher, 20 percent, and is due more to government policies than to any distinctive economic or social realities. Before we take American voters and their elected representatives off the hook, let us look at some of the broad contours of US government policy for children and the elderly.

EXPENDITURES ON THE ELDERLY

The Great Society designed by Lyndon Johnson and constructed by Richard Nixon (together with the Democratically-controlled Congresses of that era) was a "society great" for America's growing and

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increasingly politicized elderly population.[4] Between 1965 and 1975 federal programs serving the elderly population nearly tripled from $71.3 billion to $192.9 billion (in 1990 constant dollars).[5] The proportion of the GNP channeled to federal programs for the elderly expanded from 2.8 to 5.4 percent.[6] Some of this increase in expenditure was due to the growth in the numbers living beyond the age of 65. But even with this growth taken into account, the expenditures have still more than doubled. Per capita elderly spending increased from $3,860 to $8,500 over the ten year period.

The main vehicle of governmental expansion consisted of social security and related pension programs that had been gradually enlarged until, by 1975, they covered almost all retirees. Along with more complete coverage, social security pensions were steadily raised until they reached in the early 1970s the highest point ever (relative to worker wages). At this point they were indexed to subsequent increases in the cost of living.[7] Also, the age of eligibility was lowered from 65 to 62, though retirees had to accept a lower benefit level if choosing to withdraw from the labor market early.

Hardly less significant was the establishment in 1965 of the Medicare program, which provided broad-gauged health insurance for all retirees eligible for social security benefits. In addition, the elderly benefitted from *1)* the 1974 Supplemental Social Insurance program (SSI), a program that provided cash benefits to the blind, deaf, and disabled; *2)* the Medicaid program, established in 1965 along with Medicare, which provided free medical services to both the elderly and nonelderly poor; and *3)* a variety of veteran's and other programs.

EXPENDITURES ON CHILDREN

The number of programs serving children in 1975 actually exceeded the number benefitting the elderly. The main cash benefit program to female-headed households, Aid to Families with Dependent Children (AFDC), in place since the New Deal, expanded rapidly as the result of court decisions and administrative changes liberalizing access to benefits. A supplemental food program was created in 1966 for women, infants, and children (WIC); the food stamp program for all poor people was established on a national basis; a more flexible set of housing assistance programs replaced the huge public housing

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projects of the Truman and Eisenhower years; and an earned income tax credit (EITC) supplemented the income of the working poor. Finally, some families had access to two programs, already mentioned as being of benefit to the elderly, SSI and Medicaid.

If this partial list of welfare programs from which children benefitted seems impressive, the dollar amounts (see *Figure 2*) are less so. Altogether, these programs amounted to only $42.3 billion (see *Figure 3*).[8] As can be seen in *Figure 4,* this was just 1.2 percent of GNP, as compared to the 5.4 percent in welfare programs allocated to the elderly.

Some may feel that the number of dollars or the percent of GNP spent on programs for age cohorts are misleading ways to compare the impact of welfare policy. The social need may be greater for one group than the other. Thus, in *Figure 3* we present three additional ways of estimating program impact—expenditures per age-cohort member, expenditures per poor member of the age cohort, and expenditures per age-cohort member who would have been poor had the welfare program not been in place.

Each estimate has its shortcomings. Expenditures per cohort member takes into account the size of the cohort and the fact that many welfare programs, for example, social security and Medicare, reach a very broad spectrum of the population. But this type of calculation includes middle class and wealthy members who would seem to have little need for the welfare program. Calculating the expenditures per poor person identifies the potential impact of these programs had they been targeted on the most needy population. But this estimation excludes from the count all those who would have been poor had the welfare program not been in place. The best approach is to estimate expenditure per would-be poor cohort member had no welfare programs existed. Even this way of estimating policy impact has some disadvantages: it ignores the fact that many welfare programs are not narrowly targeted on the would-be poor nor does it take into account the fact that many would-be poor would have identified alternative sources of income, for example, working or saving, had the program not been in place.[9]

But no matter what estimate is used, it is clear that the impact of governmental programs on the elderly was greater than their impact on children. For example, the sums available for the would-be poor elderly were ten times those allocated to programs for children (see *Figure 3*). Had the programs for the elderly been perfectly targeted,

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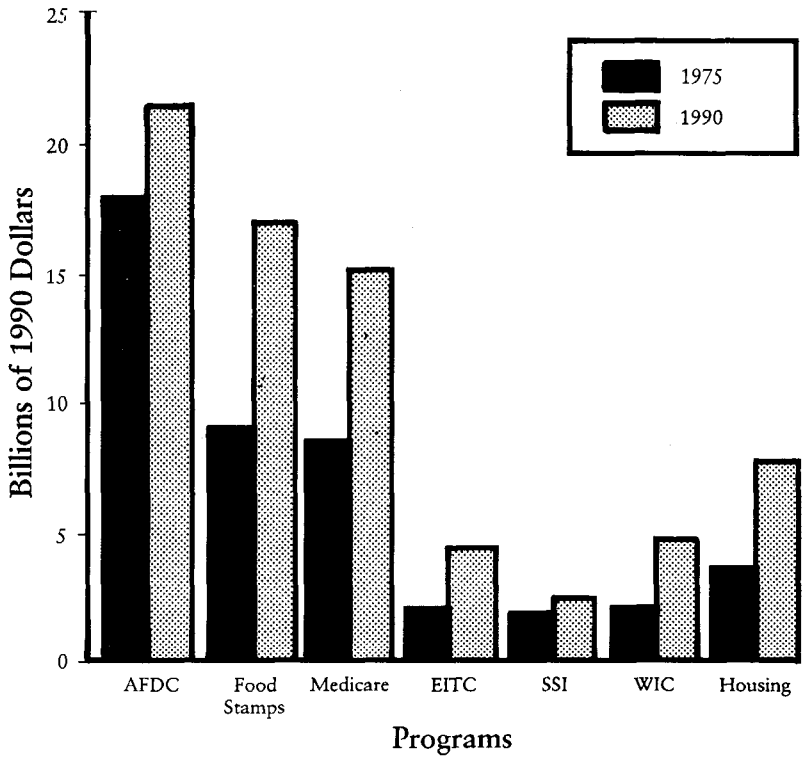
Figure 2. Expenditures on Families with Children Through Major Entitlement Programs, 1975-1990



Notes and Sources:

1. Green Book, Table 19, 654.
2. Food stamp expenditures are reported in Green Book, Table 12, 1639; the portion of food stamp expenditures going to families with children is estimated for 1990 in Green Book, Table 2, 1582–83; the proportion going to children in 1975 is estimated by author to be the same as in 1990.
3. Cost of Medicaid to all AFDC recipients, whether or not they receive cash payments. Green Book, Table 18, 1660–61.
4. Cost of EITC from Green Book, Table 18, 1019; the portion of EITC expenditures going to families with children is estimated for 1990 in Green Book, Table 2, 1582–83; the proportion going to children in 1975 is estimated by author to be the same as in 1990.
5. Cost of Federal and State SSI payments is reported in Green Book, Table 25, 827. The portion of total state and federal SSI benefits is estimated in the Green Book for federal SSI benefits going to children in 1990, Table 2, 1582–83; the proportion going to children in 1975 is estimated by author to be the same as in 1990.
6. Green Book reports expenditures only as early as 1977, Table 34, 1689. The 1975 estimate assumes these expenditures grew during the intervening two years at the same rate as the increase in the cost of living.
7. Green Book, Table 2, 1582–83 provides estimate for 1990. Author's estimate for 1975 based on assumption that children receive same proportion of benefit in 1975 as in 1990. Total costs are reported in Green Book, Table 29, 1681. Data are available only for 1977; it was further assumed that the program expanded between 1975 and 1977 at the same rate as the increase in the cost of living.
8. Green Book, Table 2, 1582–83. This program did not exist until 1981.
9. Data on other programs available only for 1990; these expenditures include the proportion of total expenditures that benefit families with children in the following programs: social security, veterans' compensation, child support, human development, foster care and adoption assistance, work incentives, maternal and child health, immunization, summer youth development and training, juvenile justice program, child care block grant, and other health programs. It does not include the portion of social security monies of benefit to children nor does it include a variety of educational programs, which are considered separately. Green Book, Table 2, 1582–83.

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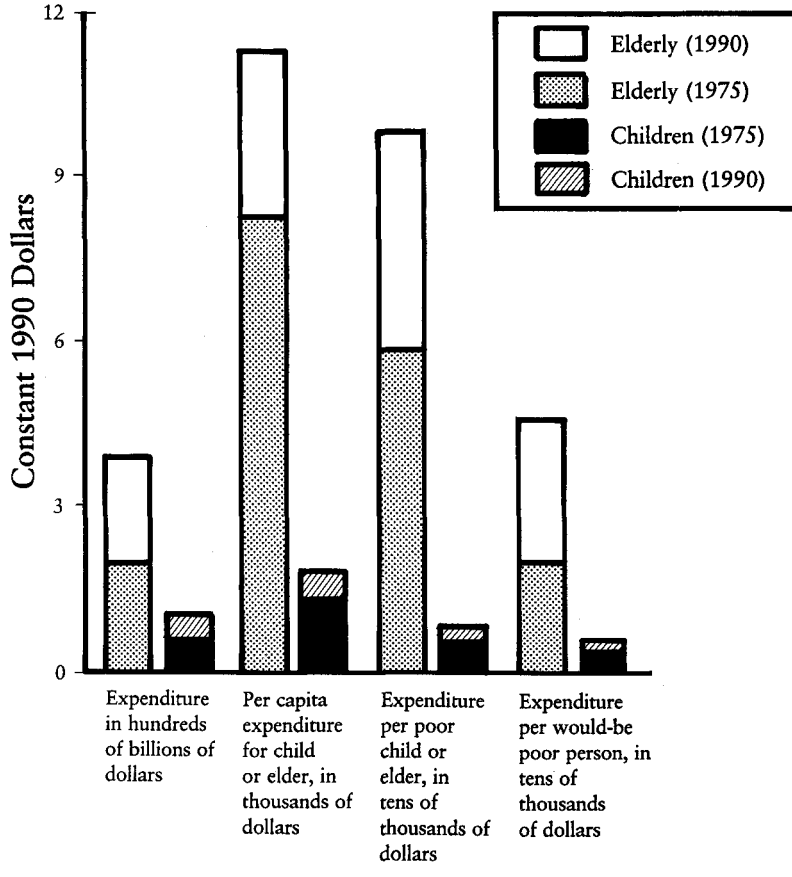
Figure 3. Social Welfare Expenditures on Elderly and Children, 1975-1990


Constant 1990 Dollars
12
9
6
3
0
Elderly (1990)
Elderly (1975)
Children (1975)
Children (1990)
Expenditure in hundreds of billions of dollars
Per capita expenditure for child or elder, in thousands of dollars
Expenditure per poor child or elder, in tens of thousands of dollars
Expenditure per would-be poor person, in tens of thousands of dollars

Notes and Sources:
1. Green Book, Table 1, 1579.
2. Taken from Table 2 of this paper.
3. Number of poor in Green Book, Table 2, 1274.
4. Number of elderly poor before cash transfers, as in Green Book, Table 22, 1312. Table estimates the number only as far back as 1979; to obtain an estimate for 1975, the trend line between 1979 and 1982 was extrapolated back to 1975.
5. Number of individuals in families with children in poverty before cash transfers, as reported in Green Book, Table 19, 1306. Table provides information only as far back as 1979; it was assumed that the number of pretransfer poor had declined at the same rate as the decline in the posttransfer poor between 1975 and 1979.

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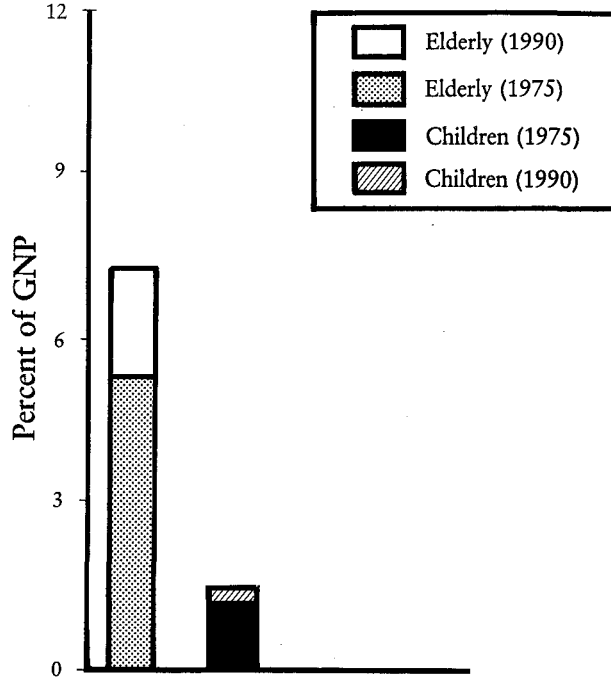
Figure 4. Social Welfare Expenditures 1975-1990



the would-be poor would have received in cash or in-kind an average of nearly $20,000 per person; the would-be poor families with children would have received around $1,800 per child.

One might have thought that the anomalies created in the rush to construct the Great Society would have been gradually corrected in subsequent years. But what was put in place by 1975 is basically what exists in the 1990s. Jimmy Carter's profamily initiative was aborted by legislative disputations; Reagan's efforts to turn family-oriented welfare policies over to the states was rejected by Capitol Hill; the Family Support Act of 1988, though celebrated at the time

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as welfare reform, actually made only minor modifications in welfare policy; and Bush has aggressively pursued a policy of resigned acceptance of the status quo.

This is not to say that expenditures have remained constant. Quite the contrary, increases in expenditure for the elderly and for children increased by a little more than 50 percent per would-be poor age cohort member. Some may applaud this steady growth in welfare expenditure as part of the progress the United States is making toward the creation of a welfare state. But the progress remains extraordinarily unbalanced. The average expenditure per would-be poor elderly person has grown from approximately $20,000 to $30,000, while the average expenditure per would-be poor child has climbed from about $1,800 to $2,700 *(Figure 3)*.

Only a reasonable slowing down of the increase in benefits to the elderly could have tripled the fiscal attention given to the problems of poor children. Had the cuts in social security, Medicare, and other retirement benefits been designed in such a way as to limit their impact on the low-income elderly, the growth in poverty among children could have been avoided without slowing the decline in poverty among the elderly.

DESIGN OF PROGRAMS FOR ELDERLY AND CHILDREN

Not only do the dollar amounts for elderly programs greatly exceed those available for children's programs, but more importantly, perhaps, the institutional design of the programs for the two age cohorts differs dramatically. The elderly are more likely to receive their benefits in cash rather than in-kind. Their benefits are more likely to be indexed to cost-of-living increases. They are more likely to receive their benefits as a matter of "right" rather than as a "hand-out." They are more likely to receive nationally standardized benefits. Their benefit programs are more likely to be administered by a unified federal agency rather than by a complex, confusing intergovernmental system. They receive most of their benefits through two easily understood programs rather than from a confusing array of agencies setting varied criteria of eligibility. They can supplement their benefits with income from their own resources. And they can

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choose their own providers of services, even when the government pays most of the cost.

Cash versus In-Kind Benefits

Most people prefer benefits in cash over benefits in-kind. Cash enables one to purchase what one wants, when one wants, where one wants, from whom one wants. Those with the political clout to get benefits from the government will do their best to get them in cash.

So it is with the elderly. In 1990 they received two-thirds of their benefits from the federal government in cash—either in the form of social security, railroad retirement, veterans pensions, SSI, or some other social insurance program.[10] By contrast the families of children received only 41 percent of their benefits in cash.[11]

Indexation

Recipients prefer to have their government benefits indexed to the cost of living. If indexed, the value of benefits are no longer jeopardized by high or fluctuating inflation rates.

Almost all benefits to the elderly, including social security, other retirement pensions, and the federal share of SSI, rise with increases in the consumer price index. A number of children's programs are also indexed, including EITC, food stamps, and the federal share of SSI. However, the largest of the children's programs, AFDC, is not indexed, and benefit levels, instead of keeping pace with increases in the cost of living, fell by 35 percent between 1975 and 1990. In 1975 a family of four living in a state providing the median AFDC benefit received $669 per month; in 1990 the family received $451.[12]

Earned versus Donated Benefits

Most people would rather receive money as a reward for service rather than as an impersonal donation. The recipients of Nobel prizes and MacArthur awards receive handouts from foundations for which they need do nothing in return, but inasmuch as the handout is presented as a reward for distinguished contributions to society, the benefit is accepted as a great honor that has been earned. The gift to the homeless beggar on the streets has a quite different status: it honors the giver, not the recipient.

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The elderly, like the prizewinners, receive their benefits as a reward for past effort. People contribute to the social security "insurance fund" throughout their working life, and they receive benefits in retirement from the fund to which they have contributed. They receive an amount that is determined by age of retirement, marital status, and the amount contributed to the insurance program. But as is well known to policy analysts (but hardly mentioned by politicians or group advocates), designation of social security and Medicare as social insurance is almost a complete fiction. The monies are spent by the government as fast as they are contributed for purposes that often have nothing to do with retirement. The amount of benefits received, moreover, is only loosely tied to the size of one's contributions. The average retired couple in 1981 contributed only enough to social security during their working years to have earned (by direct contribution and interest on the contribution) four months worth of medical benefits and three and one-half years of their retirement pension. For the remaining thirteen years of their life span, the couple simply enjoys a gift from working Americans.[13] Yet most Americans believe—and all politicians say—the elderly have earned their Medicare and social security benefits.

No comparable fiction is created for children's programs. Although it is now conventional to bundle children's and elderly programs together under the general rubric "entitlement programs," the nature of the so-called entitlements children possess differ markedly from those cherished by the elderly. To establish the eligibility of a child's family, its head must demonstrate that the family has virtually no other livelihood. The family head must visit the local office of a government agency, wait patiently in line, and then reveal to a government official the family's complete fiscal record. The government official has the duty to ferret out ineligibility, misrepresentation, and fraud. To receive cash benefits, the potential recipient must document the fact that the family does not own a home, has virtually no savings, and has hardly any income. One statistic not in the Green Book is the average number of return trips to government offices it takes to supply the necessary documentation of eligibility.

National versus State-Determined Eligibility and Benefit Standards

The fundamental advantage to recipients of identical benefits available throughout the country is that people may choose their place of

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residence without regard to government policy. They can decide to move to another state or metropolitan area to obtain a better job, to live closer to their children or grandchildren, or simply to avoid the cold blasts of winter.

The only cost to recipients of nationally standardized benefits is that the national standard might be lower than that determined by a state. But this is most unlikely. If the federal government determines the standard, it does so in a highly competitive political environment, under the close inspection of organizations representing group interests, and, potentially, in the full glare of national publicity. Not only is the political climate usually less favorable at the state level, but even politically liberal states must avoid raising benefit levels too much higher than levels provided by other states for fear of the in-migration of beneficiaries. As a result, there is general downward pressure on benefit levels in any system that does not standardize across the country as a whole.

The politically influential elderly population has won for itself a program of retirement and health care benefits that are set in Washington and are identical throughout the United States. The elderly can move from New Jersey to Florida (or even overseas) without jeopardizing the size or delivery of their social security check. No matter where they live, they are equally eligible for social security, and they are guaranteed precisely the same Medicare benefits.

Families with children find themselves in a quite different situation. Only EITC is a nationally standardized program with uniform benefits across the country. For other major programs—AFDC, Medicaid, food stamps, SSI, housing assistance, home energy assistance—benefits vary from state to state, depending on the standards set and state willingness to supplement federal contributions. In the case of AFDC, the cash benefits can be five times as much in one state as in another.[14] Eligibility requirements for most programs also vary. Families may be eligible for assistance in one state or locality but find themselves out of the picture elsewhere. The freedom to move that Americans take for granted has much less meaning for families in need of government assistance.

Not only do children's benefits vary from state to state, but they are lower than they would be if they were determined nationally. The three children's programs whose policies are largely or entirely set at the national level—food stamps, EITC, and Medicaid—have grown

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substantially over the past fifteen years. But AFDC levels, which are determined by state governments, have fallen by 35 percent because each state cuts its benefits in part to avoid becoming a welfare magnet attracting the poor from other parts of the country.[15] Similarly, the national contribution to the SSI program has kept pace with inflation over the past fifteen years, while state supplements fell by 60 percent between 1975 and 1992.[16]

National versus Intergovernmental Administration

Beneficiaries of government programs also gain from centralized administration. Quite apart from the fact that a nationally administered system is more likely to establish higher and more standard benefits and eligibility requirements throughout the country (the point just considered), national administration means that the individual need not reconnect to the service delivery system each time the individual moves. One need only be a US citizen—not the resident of any particular locale—before applying for benefits. Also, the rules determining eligibility and the procedures for applying are more likely to be widely disseminated and generally known. For example, families can obtain a refund under EITC simply by filling out their income tax return; once learned, this procedure may be followed whether or not taxpayers change addresses from one year to the next.

Once again, the most important programs for the elderly have the desired characteristic. Social security and Medicare are administered by the national government according to a uniform set of rules. Brochures describing appropriate procedures for applying for benefits are widely distributed, and information about the process is generally known among senior citizens.

By contrast, most children's programs are intergovernmental programs. AFDC, Medicaid, food stamps, housing assistance, and nutritional assistance are all administered by state and local officials, subject to some federal regulation. Any move across state or, in some cases, local boundaries requires a recipient to reconnect to the service delivery system. Each connection requires that the recipient identify the appropriate office and program title, no easy task when they vary by state and sometimes by locality. Just as states impose varying eligibility requirements, so do they insist that their own specific procedures be followed. In some cases, the state requires a waiting period of thirty or sixty days before benefits can be distributed.

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Before 1969, when the Supreme Court ruled prolonged waiting periods unconstitutional, a one-year residency wait was required. Given the drift of recent court decisions, a return to that era is not inconceivable.

Simple versus Complex

A politically powerful group is likely to insist that government benefits be concentrated in as limited a number of programs as possible. The greater the number of programs, the more difficult it is for potential recipients to ascertain their eligibility, to estimate potential benefits, to figure out appropriate procedures, and to locate the place to apply. More programs mean more agencies, more application forms, more lines in which to wait, more copies of documents to submit, more variation in the documents that need to be submitted, and so on. Just as businesses ask for simple, uniformly applied government regulations, recipients of benefit programs prefer a few, simple, well-funded programs. Being eligible for a plethora of small, inadequate, poorly coordinated services seldom has an advantage over being eligible for a single, well-funded one.

The simplicity of programs for the elderly are the envy of children's advocates. Two programs—social security and Medicare—account for 80 percent of the benefits distributed to the elderly. No single program for children has anywhere near as high a percentage of the total. Twenty-four percent of the benefits are distributed via AFDC, 19 percent via food stamps, another 18 percent via Medicaid, 9 percent via housing assistance, 5 percent via WIC, another 5 percent by means of EITC, and the remaining 20 percent by a host of other programs (see *Figure 2*). Welfare reformers have called for—and a few localities have implemented—a one-stop welfare service for needy families. If fully implemented, this allows families to go from one agency to another within the same building (instead of crisscrossing the metropolitan area) as they apply and reapply for the varied programs for which they may or may not be eligible. That a one-stop shopping service is a needed reform for children's but not for elderly programs underscores a key difference in the design of the two service delivery systems.

Supplemental versus Substitutional Benefits

Recipients of government benefits prefer that their benefits supplement—not substitute for—resources they have acquired on their

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own. Recipients do not wish their government benefits to depend on a willingness to forego earnings, sell property, dissipate savings, or lose interest due on investments. If one must sacrifice the resources one has acquired in order to get the government largess, the latter loses much of its attractiveness.

In this regard, the elderly have done very well, if not altogether perfectly. They keep their savings, retain dividends and interest, and keep their homes while receiving their Medicare and social security pension. Nor are they restricted in the amount they may pay out of their own pocket for medical services not covered by Medicare.

Elderly benefits are not entirely supplemental, however. Couples must pay taxes on one-half of their social security pension if their income (counting half of their social security benefits) is in excess of $32,000 a year. Also, individuals who retire at age 65 and who have not reached the age of 70 may not earn more than $10,200 in 1992 (an amount that is indexed from year to year). Benefits are reduced by $0.33 for every dollar earned in excess of that amount. However, there is no restriction on the amount a spouse or other member of the family might earn, and, after the age of 70, there is no restriction on earnings at all.

If programs for the elderly are almost entirely supplemental, children's programs are mainly substitutional. Families are not eligible for AFDC if they have savings of more than $1,000, a car worth more than $1,500 or a home beyond a given value (that varies from state to state). After a four month transitional period, every dollar earned in excess of $120 per month by an AFDC family reduces AFDC benefits by the same amount. The family is allowed a further exemption of $100 per month for child-care expenses. AFDC families jeopardize their benefits as soon as they earn as little as $2,640 a year. The degree of substitution for families with children is slightly mitigated when EITC and food stamp benefits are taken into account. The exact rules are too complex to spell out here, but, roughly speaking, a recipient whose combined income is at the poverty line suffers a $0.51 loss in benefits (from AFDC, food stamps, and EITC combined) for every dollar earned.[17]

Medicaid benefits act as a supplement to an impoverished family's income in some states but not in others. In general, Medicaid covers 70 percent of children under the age of 5 living in poverty and 55 percent of the children between the ages of 6 and 18, regardless of

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earned income. Medicare, by contrast, insures over 95 percent of the elderly.[18]

In sum, the degree to which benefits in children's programs are substitutional rather than supplemental varies widely from one program to another and from one state to another (in keeping with the complex and decentralized character of children's programs). In general, for every dollar above $2,500 earned by a characteristic poor family, benefits are reduced by about $0.50. By comparison a typical retired couple loses about $0.33 in benefits for every dollar earned in excess of $10,200.

Choice versus Controlled Service Delivery

Finally, politically influential groups are likely to demand that in-kind benefits be delivered in a way that gives the consumer the ability to choose the provider they want. Choice in the delivery of social services encourages competition among providers, insuring that they will be sensitive to consumer expectations. Choice also gives the consumer the opportunity to obtain services from a provider who shares the consumers' values and religious beliefs.

These benefits to recipients may come at the expense of other groups in society. Unless the cost of the service is limited by government fiat, a choice-based system is likely to be expensive, as recipients seek services from providers who provide high-quality benefits. If the cost of a choice-based system is restricted by government limits or caps, then the interests of service providers are placed at risk. Competing among themselves for customers, they must do so in a cost-contained system that forces efficient service delivery and/or constricts profit margins.

Choice-based systems have other apparent disadvantages as well. The consumer is given the power to choose even when a government official might make the better decision. Also, the availability of choice is likely to create a variety in service delivery, increasing the potential for inequality in service provision. Services are also likely to be provided in distinctive religious, ethnic, and racial settings.

Choice for the elderly. Despite these presumed disadvantages, the elderly have secured a striking amount of choice in the delivery of medical care, the most important in-kind benefit they receive. Eighty percent of the in-kind expenditures for the elderly are via Medicare,

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an insurance program that provides consumers almost complete flexibility in the choice of doctor, hospital, and type of service to be received. In addition, elderly patients may, without jeopardizing their government benefits, pay for whatever supplemental services they wish either with private insurance or from personal means. The Medicaid program, of increasing importance to the indigent aged, is more restrictive but it still gives recipients a fair amount of choice.

The elderly have succeeded in securing choice in medical service even though the case for choice in the selection of one's doctor or hospital is hardly clear cut. Because of choice, service providers are forced to compete with one another by steadily increasing the quality of medical care, thereby greatly increasing medical costs. As a result, the overall cost of medical services in the United States rose from 6 percent of GNP in 1965, when Medicare and Medicaid were inaugurated, to 14 percent of GNP in 1992.[19] If the elderly had not had the political power to demand choice in medicine, it is more than likely that restrictions on choice would have been imposed to contain these rapidly rising costs.

Little choice for children. Children have much less choice in the selection of their service provider. For the most part, families with children must accept the public housing, family planning services, drug rehabilitation program, and most other in-kind services that government officials decide is appropriate for them. Some consumer participation is allowed in the selection of children's services, but this is usually hedged to ensure ultimate government control. Families of handicapped children are given the right to participate in the drawing up of a special education plan, but in the end it is the government, not the parents, which has the authority to decide the appropriate service provider. Similarly, the rent subsidy program gives families some choice in housing selection, but government restrictions sharply limit the alternatives available. Only in the case of Medicaid do needy families have a fairly broad choice in service providers. And the choice-based character of Medicaid helps make it the fastest growing of programs serving the poor. (see *Figure 2*).

The choice children have in the selection of Medicaid services may, ironically, be attributable to the power of the elderly. Of all federal programs, Medicaid is the one in which benefits are shared most equally between families with children and the elderly. In 1990,

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expenditures on the aged constituted 29 percent of all Medicaid expenditure; expenditures on poor families with children constituted 24.1 percent.[20] Is it accidental that the one children's program with choice is the same one that many elderly also depend upon?

THE DESIGN OF PUBLIC EDUCATION

Public education, the largest of all children's programs, has a number of qualities that have made it as popular among families as social security and Medicare are among the elderly. Public education is a right, not a gift. Just as every worker is entitled to social security, so every child is entitled to a public school education. And, like social security, most members of the relevant age cohort receive the government service. Only 11 to 12 percent of the school-going population attend nonpublic institutions.[21] Finally, public schools are financed almost as generously as social security and Medicare are. In 1990 the cost of public education amounted to 4 percent of GNP, and the average expenditure per pupil amounted to $5,266.[22]

But there are other respects in which public education looks very much like a typical children's program. There are no national standards in education; there is no uniform level of service across the country; the federal fiscal contribution is but 6 percent of the total cost; and the administrative arrangements are embedded in a complex intergovernmental system, in which federal, state, and local officials share authority. The benefits are substitutional, not supplemental—either a child attends a public school or a child attends a private school, the cost of which is paid for entirely by the family.

Finally, the child and his family have little choice in the schooling that child shall receive. Only by choosing a city, town, or neighborhood can a family choose a public school. Once a place of residence is chosen, children must attend the neighborhood school—or the nonneighborhood school—to which the system has assigned them.

Restricting choice in elementary and high school education benefits many political interests. It insulates school administrators and school teachers from the uncertainties of a competitive environment. It creates a uniformity of (admittedly low-quality) service; it makes possible—in theory, if not in practice—the racial and ethnic integration of pupils; it keeps the wall between church and state a steep,

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formidable barrier; and it provides the infrastructure for the inculcation of a common (if watered-down) culture.

Yet if children had the vote, they probably would demand greater choice over the educational institutions they attend.[23] Indeed, as soon as young people do get the vote, they enjoy much more choice in the selection of their educational services. Quite by chance, or so it would seem, the educational system changes at the very point in time young people get the vote. While children must attend the public school assigned to them before the age of 18, almost on the day they become part of the voting public they win the right to choose the educational institution—public or private college, university, junior college or proprietary school—that they wish to attend (provided they have the grades, test scores, and personal recommendations to secure admission). Before the age of 18 they must pay for any private education they select. After the age of 18, young people from low income families are eligible for grants—they are delicately called Pell grants instead of tuition vouchers—that are paid to the public or private college of their choice. Young people from middle income families receive heavily subsidized loans which can also be used at the college a student chooses.

Before the age of 18, the child attends a school operated by a complex intergovernmental system financed out of state and local funds that varies widely from one place to another. After 18, the young person is eligible for benefits paid by the federal government that are uniform across the country and that do not depend on living in any particular locality. Before 18, public money cannot be used for education in a religious institution. After 18, constitutional qualms disappear, and federal funds are used to attend either a secular or a sectarian institution. Before 18, educational funds are granted as a substitute for private funds: the child must forego public support if a private school is chosen. After 18, benefits are supplemental—public and personal monies may be used together to purchase a college education.

Perhaps it is only an accident that most states have enacted laws that expressly prohibit young people who leave school before receiving a high school diploma from studying for that diploma in a junior or community college. Until they reach the age of 18, these high school dropouts—25 percent of the age cohort—must instead either return to the local school they hated, work in a hamburger stand, or

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wander the streets. On their eighteenth birthday, these young people at last become not only eligible to vote but also eligible to pursue the equivalent of a high school diploma at a publicly subsidized junior or community college. Eventually, about a third of the high school dropouts take advantage of such programs and obtain the equivalent of a high school diploma.

Public school officials have in most states campaigned successfully on behalf of laws that prevent children under the age of 18 from the right to a subsidized education outside the secondary high school. As long as children do not have the vote, these educators are able to maintain their monopolistic position by denying students significant choice. If children had the vote, these laws would very likely change.

IF CHILDREN HAD THE VOTE

The elderly population continues to grow in size, their turnout rates in election are as high as for any age cohort, the Association for the Advancement of Retired Persons (AARP) is respected for its clout, and social security and Medicare programs are sacrosanct. Yet, in 1990, only 32 million Americans were over the age of 65, less than one-half of the 65 million children under the age of 18. If children were enfranchised, fundamental political and public policy changes would certainly follow. Groups representing children would immediately acquire status and power, they would frighten politicians with organized letter-writing campaigns, they would demand a larger share of the welfare pie, and they would insist that programs for children be redesigned.

If children could vote, the 1992 campaign for the presidency would probably have a distinctly different emphasis. As it is, the positions taken by the two leading presidential candidates testify to the greater power of the elderly. Neither has proposed any significant diminution of the social security system. The only candidate to propose modest reductions, Paul Tsongas, was quickly dispatched by Clinton in the Florida primary. Neither has offered a serious plan to limit the burgeoning costs of medical services. The candidate who did, Bob Kerrey of Nebraska, won only the primary in his neighboring state of South Dakota. Neither has offered a family allowance plan or any other program that would give children entitlements in any way comparable to those the elderly possess.

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Bush calls for educational choice, but he is unwilling to provide much federal fiscal support. Clinton promises federal dollars, but he refuses to give children or their families significant choice. Clinton's opposition to choice for children contrasts sharply with his comprehensive plan of college loans that enhances choice for young people over the age of 18 (who are eligible to vote). If children had the vote, Bush would very likely have committed himself to funding an adequate educational system, and Clinton would have created a comprehensive choice plan for elementary and high school students.

But perhaps one should not expect policy change to come immediately upon granting the right to vote to any particular group. Very likely, years of discussion and debate would precede major policy innovations. Yet in the long run, the following alterations in public policy might well be anticipated, if children were given the vote:

1) Benefits to children would become a matter of right rather than a public benefaction. They would become nationally standardized, indexed, nationally administered, simple, supplemental (instead of substitutional), and offer consumer choice in the selection of a service provider. This would probably mean a substantial program of family allowances (similar to those presently existing in Europe) that would go to all families and be independent of family earnings.

2) A system of national health insurance would extend to all households the medical benefits now enjoyed by those over the age of 65.

3) The major in-kind public service of significance to children, the public school, would no longer be provided by a government monopoly. Families would receive a grant from the government with which, together with their own resources, they would purchase the type and quality of education they prefer.

4) Both the health and educational systems would be given a financial cap which would place overall limits on the amount and quality of service that could be provided by the government.

5) Retirement pensions for the elderly would be scaled back, but permission to earn additional income between the ages of 65 and 70 would be granted. It would be argued that just as family allowances should not restrict family heads from working, neither should pensions for the elderly restrict their participation in the labor market.

If I do not specifically recommend these policy innovations, nor am I alarmed by them. What is disturbing is the imbalance in the

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structure of the American welfare state. The nation's political incapacity to do anything about this imbalance is even more frightening. I am reluctant to propose what in ordinary circumstances would be hardly more ridiculous than the "modest proposal" satirically suggested by Jonathan Swift. But given the country's propensity to eat its future, it may avoid making decisions tantamount to enacting Swift's own proposal only by giving children the right to vote.

ACKNOWLEDGMENTS

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ENDNOTES

[1]The Green Book, issued annually since 1981, has become one of the most comprehensive sources of information on US social policy. The growing reliance of the policy research community on the Green Book, an unofficial publication "prepared for the use of Members of the Committee on Ways and Means by members of its staff" and "not [even] officially approved by the Committee" is a commentary on the quality of information about government programs currently being made available to the public. The material in quotes is taken from the frontispiece of the US House of Representatives, Committee on Ways and Means, *Overview of Entitlement Programs: Background Material and Data on Programs within the Jurisdiction of the Committee on Ways and Means* (otherwise known as the 1992 Green Book) (Washington, D.C.: US Government Printing Office, 1992). [Hereinafter cited as the 1992 edition of the Green Book].

[2]Ibid., Table 3, 1275.

[3]Ibid., Table 13, 1289.

[4]For a popular account of Richard Nixon's role in the construction of the Great Society, see Thomas Wicker, *One of Us: Richard Nixon and the American Dream* (New York: Random House, 1991).

[5]Unless otherwise specified, all dollars figures reported in this essay are calculated in constant 1990 dollars.

[6]Green Book, Table 1, 1579.

[7]R. Kent Weaver, *Automatic Government: The Politics of Indexation* (Washington, D.C.: Brookings, 1988).

[8]All expenditures on children also include all expenditures on adults in the families with children present. In other words, we have not artificially reduced the amount of assistance given to children by not including assistance to their parents and guardians. To present the state of children's programs in 1975 from the data

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available in the Green Book, it was necessary to make a number of assumptions. These assumptions are set forth in the notes to *Figure 2* and *Figure 3*. Data not available in the Green Book for 1975 may have caused us to underestimate expenditures per would-be poor child in 1975 by approximately $200. Furthermore, *Figure 2* and *Figure 3* do not include $15.1 billion of expenditures on children's programs in 1990 for which the Green Book has no 1975 data. Total expenditure on children was thus $86.9 in 1990, and expenditures per would-be poor person were $300 more in 1990 than reported in *Figure 3*.

[9]If may be objected that the cost of medical services, which the elderly need more than children, have been rising rapidly in recent years. As is noted below, medical costs as a percentage of GNP have climbed from 5.9 to 14 percent of GNP between 1965 and 1992. But this increase in medical costs was driven in part by the willingness of government to pay for services rendered. Children have at least as great a need for educational services as the elderly have for medical services, yet the cost of public elementary and secondary education as a percentage of GNP increased only from 4.0 percent in 1965 to 4.3 percent in 1990. US Department of Education, Office of Educational Research and Improvement, National Center for Education Statistics, *Digest of Education Statistics*, Table 29, 33. Had children had choice in publicly funded education with few restrictions on the quality of school they could attend, education costs as a percent of GNP would very likely have doubled over the past fifteen years. I leave to the reader the question of whether the nation would have been better off had it kept its medical costs as a percent of GNP constant while doubling its investment in education.

[10]Calculated from Green Book, Table 1, 1579.

[11]Ibid., Table 2, 1582.

[12]Calculated from Ibid., Table 13, 645. The figures are in constant 1991 dollars. Despite these cuts in family benefits, the actual expenditure for AFDC has gone up modestly from $18.1 to $21.1 billion (see *Figure 2*). This is due to an increase in the number of AFDC recipients.

[13]Peter G. Peterson and Neil Howe, *On Borrowed Time: How the Growth in Entitlement Spending Threatens America's Future* (New York: Touchstone, 1988), 108, as quoted in Donald F. Kettl, *Deficit Politics: Public Budgeting in its Institutional and Historical Context* (New York: Macmillan, 1992), 50.

[14]Green Book, Table 12, 643–45.

[15]Paul E. Peterson and Mark C. Rom, *Welfare Magnets: A New Case for a National Standard* (Washington, D.C.: Brookings, 1991).

[16]Green Book, Table 5, 791.

[17]Ibid., Table 12, 1212.

[18]Ibid., 137, 1233.

[19]Ibid., Table 1, 287, reports that health expenditures as a percentage of GNP were 5.9 in 1965, 8.3 in 1975, and 12.2 in 1990. According to recent news reports, the percentage in 1992 was 14.

[20]Calculated from Ibid., Table 18, 1660–61.

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[21]US Department of Education, Office of Educational Research and Improvement, National Center for Education Statistics, *Digest of Education Statistics, 1991* (Washington, D.C.: US Government Printing Office, 1991), 5.

[22]Ibid., Tables 30 and 35, p. 34, 39, 43.

[23]Some may wish to interpret the structure of American education in historical terms. But a historical legacy can be changed, if the political will is present. Historically, the elderly received virtually no pension from the government and very little governmental assistance for medical services needed. That history does not explain much of the contemporary systems of support for the elderly. Neither should we be content with "historical" explanations of children's policy.

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Theodore R. Marmor and David Boyum

American Medical Care Reform: Are We Doomed to Fail?

THE NEGATIVE CONSENSUS

NO ONE SERIOUSLY DOUBTS THAT American medical care needs reform. The most obvious problems are skyrocketing costs—in 1991, total health expenditures in the United States were an estimated $740 billion[1]—and the growing numbers of uninsured—more than 40 million Americans in any one year have no health insurance at all.[2] But the troubles only begin there.

Americans currently labor under a confusing and wasteful system of coverage. This haphazard mix includes privately purchased policies, government-provided insurance for the elderly (Medicare) and for some of the poor (Medicaid), Health Maintenance Organizations (HMOs) and other "managed" care programs, the Civilian Health and Medical Program of the Uniformed Services for military personnel and their dependents (CHAMPUS), care provided by the Veterans Administration (VA), employer-provided group plans, as well as government-allowed tax credits, deductions, and exclusions.[3]

All of these plans have, of course, been burdened by escalating costs, but those who rely on private insurance have been hit perhaps the hardest. In addition to general medical inflation, such plans are forced to pick up a portion of the tab for the uninsured and shortfalls in Medicaid and Medicare reimbursement. As a result, premiums

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have often increased at two to three times the rate of inflation. Not that companies have not tried to cut costs, but all too often their strategies have very unfortunate consequences. For instance, most private insurance companies, as well as most HMOs and many Blue Cross/Blue Shield plans, now differentiate among health insurance applicants on the basis of expected health risk. Widespread screening increasingly leads to outright denials, exclusion of "preexisting conditions" from coverage, or exorbitant premiums for high-risk subscribers.[4] Small groups and individuals are the usual, but not the exclusive targets of these practices; it is they who typically face experience-rated premiums (based on past sickness history) rather than community-rated ones (based on the average per capita costs of insuring a larger group).[5] Moreover, because a lost job may mean the loss of health insurance, even employees with good coverage fear the phenomenon of "job-lock," in effect becoming hostages to their current position.[6]

Another strategy for cutting expenses is for employer plans and insurance companies to require increased copayments, coinsurance, and deductibles by patients. This not only shifts some of the financial burden to subscribers, but is theoretically supposed to encourage more frugal use of medical services. As an example of the growth of this trend, consider that in 1989 17 percent of insured employees had plans with maximum out-of-pocket expenses of $2,000 or more; a year later, the figure had grown to 25 percent. Consider also that today over half of all group/staff HMOs require copayments (the patients' share of payments covered by insurance) for services.[7]

But efforts by insurance companies to control their own costs have not ended there. An enormously frustrating aspect of contemporary American medicine—for medical providers and patients alike—is administrative intrusiveness. Many insurance plans and HMOs routinely require costly utilization reviews that monitor providers' medical decisions, limit treatment, and constrain patients' choice of doctors and hospitals. The paperwork and second-guessing of physicians' judgments not only contributes to substantial and rapidly rising administrative costs, but confuses patients and angers their caregivers. One critic contends that such controls are "crippling the soul of the kind of doctor we should all want to preserve."[8] Indeed, 30 percent of physicians, according to one recent survey, say they

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would not have attended medical school if they had known what today's medical practices would be like.[9]

Although these alarming trends are not new, the hue and cry about them is. Complaints now emanate from all parts of the political spectrum. In a 1989 poll, 89 percent of Americans agreed that American medical care needs either "fundamental changes" or "complete rebuilding."[10] When a later Gallup poll posed the same questions to generally conservative chief executives, the figure was 91 percent. Indeed, few liberals would argue with the right-wing Heritage Foundation's declaration that "America's health care system is on the critical list and needs intensive care."

Certainly the extraordinary agreement on these ills—agreement across party, occupation, income, region, and age—represents a great opportunity for reform. Unfortunately, this "negative consensus," as sociologist Paul Starr has termed such broad dissatisfaction,[11] does not ensure that reform will be effective. Indeed, our politics, our institutions, even the ways in which the debate has been framed make one fearful that the outcome will be quite the opposite.

FRAMING THE DEBATE

Classifying Reform Proposals

To facilitate intelligent debate about any subject, it is necessary to divide ideas and opinions into categories based on shared characteristics. Philosophers distinguish between "deontological" and "consequentialist" ethical theories; economists term macroeconomic theories "monetarist" and "Keynesian." In medical care, commentators generally divide major reform proposals into three groups: "play-or-pay," "single-payer," and "procompetitive."

Play-or-pay proposals would compel employers to provide health insurance for employees and their dependents, or pay a tax into a publicly funded plan to cover them. Businesses could either *play,* providing insurance that met certain minimum standards, or *pay* a tax, perhaps 7 to 9 percent of payroll, to support a government insurance program. In most play-or-pay schemes, the elderly, the poor, and the working uninsured would also be covered by this program, which would consolidate Medicare and Medicaid.

Single-payer proposals aim to provide universal coverage through a single government insurance plan. While there are a variety of such

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plans, the most widely discussed ones would attempt to adapt to the United States the key features of the Canadian system of insurance[12]—a system in which doctors and hospitals are reimbursed from one insurance source, their provincial ministry. In Canada, there is no private insurance except for those items not covered by the provincial plans (for example, dentistry, eyeglasses, and pharmaceuticals). As the sole purchaser of medical services, provincial governments use their monopsony power to negotiate fee schedules with physicians (uniform rates at which insurers reimburse providers) and global budgets with hospitals including both operating and capital budgets. These periodic budget negotiations tend to be noisy, contentious affairs—but unlike the negotiations of private insurance companies and providers of "managed care" in the United States, they are out in the open for the public to see and are subject to public influence through the political process. The public is aware, after all, that they are financing the plan through income, payroll, and sales taxes.

Wholly administered and largely funded by the provincial governments, Canada's universal health insurance permits a good deal of local variation. The federal government does not prescribe the details of provincial administration, but merely requires that provincial programs embody the five basic principles of the Canada Health Act to receive federal funding. These principles are as follows: programs must be universal (covering all citizens), comprehensive (insuring all "medically necessary" care), accessible to all (imposing no significant deductibles or copayment obligations on individuals), portable (each province recognizing the other's coverage), and publicly administered (under the control of a public, nonprofit organization).

The third type of reform proposal, procompetitive, explicitly rejects the Canadian approach of controlling costs through negotiated budgets for hospitals and fee schedules for doctors. Instead, these plans hope to restrain medical inflation by fostering increased competition—between doctors, hospitals, and insurance plans. Since such proposals promote private, rather than government, coverage, the problem of the uninsured is seen principally as a financial one, a matter of giving those without private insurance the financial wherewithal to purchase it. Tax credits and vouchers are generally prescribed.

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The classification of proposals into these three broad categories—play-or-pay, single-payer, procompetitive[13]—is clearly useful in organizing the debate about medical care reform. There are so many plans out there that we must group them in order to make sense of what would otherwise be hopelessly confusing. And these particular classifications are reasonable ones, highlighting important similarities and key distinctions among the various proposals. But if these classifications illuminate, they also obscure. Since classifications, by their very nature, stress differences *between* groups and similarities *within* them, they thus have a tendency to ignore their very opposites—that is, similarities across groups and differences within them.

American politics has a way of exacerbating these inclinations. Take the case of abortion, where candidates and positions are labelled either "pro-choice" or "pro-life," even though this dichotomy obscures the reality that most Americans are, in effect, both. They want abortion to be legal and available, feeling that in some circumstances it represents a pragmatic, if tragic, way of dealing with an unwanted pregnancy. At the same time, most Americans are deeply troubled by abortion and want some regulations and restrictions on its availability and use—a waiting period, parental consent, limited public funding, stringent restrictions on late-term abortions, a ban on abortion for the purpose of sex selection. Few Americans support either the Democratic platform's position of "abortion on demand" or the Republican platform's stance that a fetus ought to be protected under the Fourteenth Amendment.

Whereas the abortion debate overemphasizes differences between groups, obscuring common ground, the debate over other issues stresses similarity within groups, clouding significant differences. Recall that Sam Nunn and Ronald Reagan were both supporters of the Strategic Defense Initiative (SDI) and thus were often portrayed as backers of "Star Wars" pure and simple. But what the classification blurred was the fact that while Reagan hoped for a space-based impenetrable shield that would ward off an all-out Soviet attack, Nunn thought such a system was unrealistic and destabilizing. Instead, Nunn favored a small, ground-based defense that would be effective only against a few missiles—perhaps an accidental Soviet launching, or an attack from a Saddam Hussein.

These same sorts of confusions permeate the debate about medical care reform. For example, some play-or-pay proposals would employ

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global budgets and fee schedules to control costs, just as Canadian-style single-payer plans would. But you would never know they shared these strategies from the intense focus on what they do not share. Moreover, if commentators often ignore similarities across groups, they also overlook differences within them. For instance, they talk and write about play-or-pay plans as though only one type of such a plan existed. As just noted, there are play-or-pay proposals that are designed to have global budgets and fee schedules to control costs, much like Canada; yet there are others that attempt to use the market mechanisms championed by procompetitive advocates.

A more important example of this tendency to stress similarities at the expense of differences is the failure to distinguish between two vastly different theories of procompetitive plans. One approach presumes that there is insufficient price competition in medicine and that first-dollar insurance (insurance, that is, without deductibles and cost-sharing) induces wasteful and financially costly patient demands. This view, which finds a home in proposals put forth by the Heritage Foundation and the Bush Administration, argues that individuals should bear a greater share of their medical expenses and that doing so would encourage them to shop around for services and avoid needless care. The mechanisms for putting these policies into practice are increased deductibles and copayments, as well as the careful monitoring of medical services to counteract the fee-for-service incentives of providers.

By contrast, the "managed competition" approach, generally associated with Alain Enthoven of Stanford, rejects the notion that competition is feasible at the point of treatment. Enthoven argues that the "conditions under which the competitive market produces an efficient allocation of resources cannot be well satisfied by a market in which the 'product' the consumer buys is the individual medical care service."[14] He contends:

> First . . . If the insurance pays 80%, the consumer has an incentive to treat a unit of care that costs $10 as if it really cost $2. Moreover, in order to protect families from the risk of serious financial loss, an increasing number of insurance policies include an upper limit on the family's out-of-pocket cost above which all costs will be paid by insurance. At that point, the weak economic incentive introduced by coinsurance is removed altogether.

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> Second, for most illnesses, the physician cannot quote a fixed price for treatment in advance. . . . Until he has done some work, he does not know whether you have indigestion or a heart attack. . . .
>
> Third, the individual episode of medical care is not good material for rational economic calculation. If the patient is in pain or urgent need of care, the transaction is not entirely voluntary. The sick patient is in a poor position to make an economic analysis of treatment alternatives or negotiate with the doctor over fees.
>
> Fourth, it is very costly for the patient to become well-informed about the costs and benefits of alternative treatments.[15]

All of this leads Enthoven to advocate competition among health plans rather than among doctors. Enthoven advocates empowering a small number of purchasing agents (large employers and state-created "public sponsors") to select a small number of insurance plans (most of which would be HMOs) among which its employees or "sponsees" must choose. Thus, although the Enthoven and Bush Administration plans are both labelled "procompetitive," they in fact share little but the label.

Arguing Central Issues

Classification into basic types of proposals is not the only way in which the debate about medical care reform is framed. It is also commonly structured around certain underlying issues and principles. Chief among these are the questions of whether and how medical care should be rationed, the potential for eliminating waste and inefficiency in the provision of care, the use of competition versus regulation in controlling costs, and the often asked question of whether there is a right to medical care.

Each of these four issues is important, some addressing profound philosophical concerns, others reflecting more mundane, but equally crucial, matters of policy. In discussion, however, much of their true significance is lost, since the issues are frequently posed in terms of oversimplified and misleading black and white choices. Frequently, too, these issues are used to call up ready-made emotional responses rather than to stimulate thought. Put another way, they are used like images of Willie Horton, and talk about "back-alley abortions," as symbols of what we fear most.

Rationing

In medical care, the most powerful image is that of rationing—an image generally called up by those who strongly oppose any govern-

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ment-run insurance scheme. The British National Health Service (NHS) provides the doomsayers' favorite illustration. As Canadian economist Robert Evans has noted, these critics depict:

> endless waits to see overworked and undertrained staff in obsolete and undermaintained facilities. Patients may even be denied lifesaving treatment if they are old or for other reasons fail to receive high enough priority for scarce services whose availability is controlled by heartless, or at least unaccountable, bureaucrats.[16]

Not only is the image of rationing fearful, but the word itself has powerful affective connotations. After all, when we think of rationing, we envision war—a time of death, destruction, and dire scarcity, when the government must, of necessity, strictly dole out meager supplies of life's essentials.

This is not to say that these images and connotations are without basis. Rationing can be a cruel and inefficient way of allocating scarce resources. But it is also, as any economist will note, one of only two ways of doing this. The other means of allocating goods and services is by price, a means which frightening images of rationing would seem to imply is benign. Of course it is not, as the 30 to 40 million Americans without health insurance, or the great majority of the rest who face copayments, deductibles, and excluded coverage can testify. Moreover, the problem of allocation cannot be perfectly solved, as some advocates of market-based medical care suggest, merely by ensuring that all have the financial resources to purchase comprehensive insurance policies. An immediate question arises: how comprehensive? Given that the government must inevitably assist in helping poorer subscribers in any such system, limits will be set. Will "comprehensive" insurance cover orthodontia, eyeglasses, pharmaceuticals, or psychiatric care for those who are apparently functioning members of society? Will it cover organ transplants—procedures whose mind-boggling fees for a single operation to possibly save a single life could clearly save more if spent elsewhere? Or will such services be allocated undemocratically, available only to those who can afford to pay for them on their own? The point is that whatever our medical care system—whether it allocates medical services primarily by price or by

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nonprice means—tough decisions have to be made as to who will have what and how much of it.[17]

Waste and Prevention

In answer to those commentators who focus on apocalyptic scenarios of rationing, some argue that difficult allocational choices can be avoided altogether if we would only eliminate inefficiency from our current arrangements, focus more energy on prevention, and all live healthier lives. As Joseph Califano, former Secretary of Health, Education, and Welfare has recently argued, "it is an unconscionable cop-out to resort to rationing by any means—the current scheme of wealth, or any new one based on age, a lottery of diseases or computer quantifications of pain—when we can have care for all our people with a little efficiency, prudence, and prevention."[18] But as wonderful as this you-can-have-it-all notion of medical care sounds, it turns out to ring quite hollow.

Let us begin with the concept of waste. The perpetrators are obvious: excess capacity, useless bureaucratic hassle, medical malpractice, defensive medicine, not to mention the unnecessary tests and procedures resulting from all of this and on which most commentators tend to focus. As an example, take the following critique of what are thought to be ineffective, ethically troubling, perhaps even harmful procedures:

> Consider what doctors, to say nothing of patients, don't know about the value of just one procedure. Every year about 80,000 Americans get a carotid endarterectomy, a kind of Roto-Rooter job on clogged neck arteries. Typically costing $9,000, counting the bill for a hospital stay, the operation is designed to prevent strokes. Another triumph of modern medicine? Or an overly risky, overdone alternative to cheaper drug therapy? Incredibly, no one knows for sure, and no one is tracking the patients on a systematic basis to find out.
>
> The same holds true for scores of other medical ministrations. 'Half of what the medical profession does is of unverified effectiveness,' asserts Dr. Paul M. Ellwood of Minneapolis, [one] in a phalanx of physicians who want to cut down on the guesswork.[19]

Perhaps the medical profession does an inadequate job of evaluating the effectiveness of procedures. But there will always be procedures that, while of unproven benefit, nonetheless offer the

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possibility of help. And it is unlikely that any set of rules we design can significantly change this dynamic. However untested, therapies will always be sought by patients wanting to improve their lives, while doctors themselves will want to employ them. Monetary incentives certainly play a role, but physicians are also guided by a special professional ethic. Like lawyers who have a duty to do whatever it takes to serve their clients, doctors are committed to doing whatever they can to assist their patients. Absent a strong medical consensus as to the efficacy of a particular procedure—we rarely perform tonsillectomies any more, and radical mastectomies are increasingly open to question—there is little likelihood that either of the intimate partners in the doctor-patient relationship will ever perceive a significant proportion of medical treatments as "wasteful."

Now consider prevention. What if we all ate more wisely, exercised more regularly, abstained from smoking and excess drinking, and led less stressful lives? Certainly we would tend to be healthier; indeed, we might even be happier.[20] But the inference that we would, as a result, drastically reduce our national medical expenditures is, according to scholars who have investigated the possibility, without solid evidence.[21] The point is that prevention can, and has, changed the incidence of disease, but, at best, it can only delay death and dying. Indeed, although American preventive practices have served to improve our health record—and there is good evidence that they have in the instances of heart disease and stroke—they have also brought onto the health policy agenda new issues of long-term care and frailty.

Competition versus Regulation

Both plans employing tax credits and vouchers and those promoting managed competition are labelled procompetitive. Advocates have carefully chosen this label so as to draw an explicit contrast with other approaches to universal health insurance. The implication is that the other proposals are not procompetitive, but anticompetitive and proregulation. But to present the choice facing us as that between competition and regulation is in a very real sense to set up a false dichotomy.

Note that managed competition plans backed by some procompetitive advocates favor competition that is far from unfettered—to the contrary, these plans necessitate extensive regulation, since they

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are hardly self-governing. For example, in the kind of competition between insurance plans encouraged by proponents of managed competition, some plans might thrive by only attracting and enrolling the young and healthy; while in rural areas, where it is often difficult to get even a single medical provider to cover the population, competition among plans, whatever the encouragement, might be totally infeasible. To avoid such imbalances, managed competition sets up detailed rules to govern the system. They require all citizens to enroll though specified purchasing agents in one or another of a limited number of pre-approved insurance plans. For their part, participating insurance companies are forced to offer, not a single plan, but several predetermined varieties. But it not only managed competition that is managed. Despite their procompetitive rhetoric, even more market-based reform proposals presume an extensive regulatory framework to combat market failures: the Bush plan forbids insurance firms from using experience-rating in pricing their policies; the Heritage proposal accepts experience-rating, but relies on state-regulated and administered insurance pools to cover high-risk individuals.[22]

The advocates of competition stress as well the rhetoric of free choice. For instance, Enthoven has labelled his procompetitive plan, described earlier, the "Consumer Choice Health Plan." As he explains: "The patient still has 'free choice of doctor' in the sense that he can join the health plan in which his favorite doctor participates. But now he also has the right to agree to get his care from a limited set of providers who offer him a lower premium and/or better benefits."[23] Not only is this a debatable notion of consumer choice—as Paul Starr points out [24]—but even if it were not, the idea of a favorite doctor is itself somewhat arcane. Could Enthoven himself tell us the name of his favorite otolaryngologist? How about his favorite gastroenterologist? And what is the likelihood that his favorite internist, cardiologist, neurologist, ophthalmologist, urologist, and proctologist are all members of the same health plan?

Enthoven seems to imply that Americans value the choice of an insurance company or health plan more than they prize the choice of a doctor. Surveys and common sense, however, both dispute this conclusion.[25] Consider the mind-set of someone faced with a choice between two health plans. One is a traditional Blue Cross/Blue Shield plan which allows unrestricted selection of physician and hospital.

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The other, an HMO, has lower premiums, but provides no reimbursement for physicians outside its network. Most people regard such a choice as burdensome, as being forced to opt unfairly for either money or the quality of their medical care. Clearly, this is not a straightforward "free" choice. Indeed, if the HMO is selected, the subscriber does not feel he or she has an enhanced degree of freedom, but rather has given up some of that freedom.

Is Medical Care a Right?

It is common for those who are deeply committed to reform but skeptical of its prospects to quip that national health insurance will only be possible when Americans overwhelmingly decide that medical care is a "right." It is not at all clear, however, that such agreement is a precondition for enacting universal health insurance.

To be sure, there is no evident consensus on medical care as a "right." But almost all Americans agree that medical care should not be allocated primarily on the basis of ability to pay, and that everyone should receive a decent minimum standard of care. And they are right; medical care is no ordinary commodity. Not only is it, like food and shelter, a basic prerequisite for life, but the need for medical treatment is not just a matter of behavioral choices, but substantially a function of luck.

More generally, it is possible to reach agreement on health policy without having consensus on the justifying ideology. A social democrat may favor universal health insurance for purely egalitarian reasons, while a libertarian may support it for totally other, self-interested, grounds. Generally opposed to the expansion of government power, he nonetheless understands that if coverage is not comprehensive, those with insurance will inevitably have to pick up the tab for those without.

THE EFFECT OF POLITICS, INSTITUTIONS, AND IDEOLOGY

If the way the debate is framed hinders intelligent discourse and darkens the prospects for meaningful reform, so too does our politics. For one thing, the constitutional structure of our political system alone makes the process of legislative change difficult. As every civics book explains, it is designed for delay, not action, and characterized by myriad and conflicting governments—be they federal, state, or

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local. And where medical care reform is concerned, one must add to this maze an abundance of entrenched interests. After all, when $740 billion is spent annually on medical services, there are some big winners. The one unassailable law of health economics is that every dollar in expenditures is a dollar of somebody's income.

What our institutions make difficult, our ideological predilections make even more so. Historically, Americans have been fearful of concentrated authority and skeptical about government's capacity to manage public programs appropriately. So when Constance Horner, the Deputy Secretary of Health and Human Services until 1991, claimed that a national health insurance program run by the federal government would have "all the compassion of the Internal Revenue Service and the efficiency of the Postal Service, at Pentagon prices,"[26] her comment did not fall on deaf ears. Many Americans are worried about a government monopoly in the financing of medical care, and there are bases for the concern. Were national health insurance simply an enlarged instance of Medicaid, a poorly designed and managed program that ultimately pleases no one, it would indeed be disastrous.

Perhaps a more important, ideological issue concerns taxes. To some, the antitax sentiment of the last fifteen years is a demonstration of shortsighted greed and self-interest. Others see it as a healthy and important statement about the excess size, scope, intrusiveness, as well as limited competence of modern American government. Either way, the sentiment is real, and it significantly affects debate on medical care reform. To many Washington politicians, any national health insurance program requiring a large tax increase is a non-starter. To them, it is simply beside the point that increases in taxes for health coverage could well be more than offset by reductions in premiums for private insurance and out-of-pocket payments.

This institutional and ideological background leads many to conclude that any feasible reform must be incremental in nature. Our political system, entrenched interests, and antigovernment and anti-tax ideology simply do not allow for more drastic action. Not surprisingly, then, the overwhelming majority of reform bills in the Congress and Senate reflect this view, attempting to adjust our current arrangements in an incremental manner. On the Republican side, most proposals follow the Bush administration's plan of using vouchers and tax credits to give more individuals the financial means

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to afford more of the health insurance we now have. For the Democrats on the other side of the aisle, a number of their leaders—including, some say, candidate Bill Clinton—also aim "to build on" our current system of employer-provided insurance, advocating play-or-pay plans. The more thoughtful advocates of play-or-pay openly acknowledge that their stance is one of pragmatism. "The real problem with national health insurance," writes its long-time advocate Henry Aaron, a Brookings Institution economist who now argues for play-or-pay,

> is the enormous disruption it would cause—including shifting more than $300 billion in financing from private payers to public budgets . . . [I]t is hard to imagine that American democracy, a system given to slow and incremental change, would embrace such a shift.[27]

While the incremental approach may indeed be politically possible, it is characterized by significant drawbacks, most of them ignored by its advocates. Most obviously, any incremental reform will, by its nature, only be able to rectify some of the problems of the present system—though admittedly these are often very important ones. For example, many of the play-or-pay plans would for all practical purposes eliminate the problem of large numbers of uninsured. But while universal coverage is no small achievement, for the 85 percent of Americans who already have coverage, most play-or-pay plans would do little to address their complaints.

Another problem with incremental reform is that such plans fail to set up the kind of program architecture that can be built on. The experience of Medicare should alert us to the dangers this presents. In 1965, reformers like Wilbur Cohen and Robert Ball knew what they wanted eventually to achieve—a program covering care for all or most of the population—but concluded it was not politically possible at the time. Thus, they settled for hospitalization coverage for the elderly, assuming that Medicare benefits and eligibility would gradually expand. Hospital coverage was in their view simply the first step in benefits, the elderly merely the first group of recipients. Their optimism about future reform proved unrealistic, however, and twenty years later they regretted having left the system so vulnerable, so incomplete.[28]

The history of American government, then, suggests that the time to get the architecture of a program set is at the beginning, before

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benefits are expanded, not afterwards. Concentrated interest groups are at their least powerful when the consensus on action is most firmly established. That was true in 1965, and it is why the Medicare reform of that year represents a missed opportunity. It is true now as well.

This highlights yet another risk of the incremental approach. A strong consensus provides a great deal of political capital, and reform, even when minor, spends much of it. This is especially true, given the tendency for reformers to believe they have been bolder than they in fact have been. The tax reform efforts of 1986 provide a case in point. Hailed at the time as an unprecedented, bipartisan step to close loopholes and simplify the tax code, it was soon after jokingly referred to as "Lawyer Full Employment Act of 1986," having ironically made the code more complicated—at least until its often-vague provisions were clarified. Moreover, not only was the reform less effective and bold than advertised, but it made future efforts much more difficult: there was less public support for tax reform, and time was required for legislators to heal the wounds of having voted against the interests of various powerful constituencies.

THE PROBLEM OF IMPLEMENTATION

Henry Kissinger is fond of telling the following story. The President's National Security Adviser asks one of his top military analysts to develop a policy to deal with the problem of Soviet submarines. A few months later the analyst reports back to his boss, who promptly asks, "What is your recommendation?" "Heat up the world's oceans and boil the Soviet subs to the surface." "And how do you propose to implement this strategy?" questions the National Security Adviser. "Look," replies the analyst, "you asked me to come up with the policy—it's your job to implement it."

The efforts to classify and group reform proposals and the other ways in which the debate about medical care has been framed tend not only to block alternative perceptions of reform, but to obscure the all-important issue of implementation. After all, no one could intelligently argue that one plan is superior to another merely because it is play-or-pay as opposed to single-payer as opposed to procompetitive. To make evaluative judgments, one requires realistic forecasts of a plan's implementation and operation, whatever its basic

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approach. Consider, for example, two proposals for American medical care, one a single-payer scheme, the other a procompetitive design. Both appear promising in theory, but the first, one surmises on the basis of its detailed features, is destined to become in practice a poorly structured, badly managed single-payer program—a kind of Medicaid writ large. The second, in contrast, has features that promise to work more effectively when implemented, resulting in a carefully and skillfully regulated program of managed competition, one where consumers choose from among a few high-quality, nation-wide plans—much as they now do with long-distance telephone companies. No responsible advocate of Canadian-style, single-payer plans, however committed to government insurance, would favor the first proposal, given its practical ineffectiveness. Similarly, if we compare a well worked-out single-payer plan with a poorly implemented procompetitive scheme, no thoughtful proponent of market-based reform would favor the latter, however intense her commitment to the theory.

It should be clear by now that any successfully implemented reform effort—whether single-payer or procompetitive, Canadian-style or German-style—will also require skilled government regulation and management. Yet this is often overlooked by advocates of all plans. On the one hand, procompetitive and play-or-pay advocates minimize the extent of government supervision required to make their plans work well. On the other hand, proponents of single-payer plans too often fail to address genuine concerns about the government's capability to manage such a system. Citizens cannot possibly watch the activities on Capitol Hill and feel fully comfortable turning over to Congress decisions on the resources available for medical care. Nor do Pentagon negotiations with defense contractors give one grounds for confidence in the government's talent in negotiating fees and budgets with doctors and hospitals. As for the savings and loan crisis, with its ineffective regulation of banking institutions, it hardly encourages trust in the government's ability to regulate health insurance plans.

But given the extent to which our politicians and policy analysts both enjoy abstraction and resist the difficult and unglamorous task of figuring out the nuts and bolts of real programs, this inclination to botch or overlook implementation is not very surprising. Nor is it simply a matter of intellectual failure. Our politics rewards superficial

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and generalized debate, name-calling, and symbol-rattling, rather than detailed analysis.

WHERE DO WE GO FROM HERE?

The problems facing us are serious and daunting. But we must proceed nonetheless. In which direction? Significantly, the two authors of this paper would suggest different paths. Marmor encourages the pursuit of a single-payer plan modelled on the Canadian system. Boyum, in contrast, supports a form of managed competition, one that would completely sever the traditional linkage of insurance and employment, putting all citizens—whether employed, unemployed, or self-employed—on equal footing. But despite this, the authors agree more than disagree: on the diagnosis of the problems, on the necessity of systemic rather than incremental reform, and on the crucial importance of implementation.

It is our shared belief that a single-payer plan is unlikely to work well if managed within and according to existing government structures. What is needed instead is a strongly independent agency or government corporation set up—at a state or federal level—exclusively to manage the program, and well insulated from political pressures. We also agree that in the case of managed competition plans, successful realization depends on equally skilled government involvement, even though it would be of a very different kind from that required by a single-payer design.

Unfortunately, neither of us is sanguine about the prospects of achieving the kind of systemic reform for which both of us hope, whatever our particular preference. The likelihood is that our politics will leave Americans with confused choices, escalating inflation, and considerable despair. What is more, incrementalism would seem our destiny. But if so, we simply cannot leave it at that: the least we can do is distinguish between those strategies that do little more than tinker in an effort to patch up weaknesses in existing arrangements, and those that lead in the direction of fundamental reform.

Even this is not easy. For example, consider the long-awaited medical care reform proposal of the Bush Administration, announced in early February of 1992. Although the proposal—which justly received few plaudits even from the conservative camp—was vague, poorly thought out, and deeply inadequate in its prescriptions, it

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nonetheless contained at least one remarkable feature. The proposal advanced the proposition that preexisting conditions and poor health histories should not be allowed to count in the price of health insurance, and that the costs of insurance should be spread widely, in the tradition of community rating. Importantly, such a step would go some way towards creating a more stable and more egalitarian insurance system.

So, why did so few take note of it? For one thing, because of the sad but all too common tendency to overlook distinguishing and meaningful details of policy reform in the rush to facile judgment. For another, because to do so from the Left would be to give praise to the Right; while to do so from the Right would be to publicly accept some of the ideological principles of the Left. And unfortunately, our polarized politics too often precludes such generous admissions and reasoned assessments[29]—the very assessments needed to reach the common ground that would facilitate the enactment of effective reform.

ENDNOTES

[1]Philip J. Hilts, "U.S. Health Bill Expected to Rise by 11% for '91," *New York Times,* 30 December 1991.

[2]In 1989, an estimated 33.4 million Americans (13.6 percent) had no health insurance. Of the uninsured, 25.6 percent were children. Committee on Ways and Means, US House of Representatives, *Overview of Entitlement Programs: 1991 Green Book* (Washington, D.C.: USGPO, 1991), 307. The number of Americans without health insurance during the course of an entire year is obviously larger than the cited figure because people move in and out of insurance status. For a variety of more recent estimates of the uninsured, see Emily Friedman, "The Uninsured: From Dilemma to Crisis," *JAMA* 265 (1991): 2491.

[3]Sixty percent of Americans were insured through employer plans, while another 12.8 percent were covered under Medicare, 6.0 percent under Medicaid, and 7.7 percent through CHAMPUS, individually-purchased policies or other sources. Committee on Ways and Means, *1991 Green Book,* 309.

[4]See Emily Friedman, "Insurers Under Fire," *Health Management Quarterly* 13 (3) (1991): 23–24; US General Accounting Office, *Health Insurance: Cost Increases Lead to Coverage Limitations and Cost Shifting* (Washington, D.C.: General Accounting Office, 1990).

[5]Friedman, "Insurers Under Fire," 26.

[6]Paul Cotton, "Preexisting Conditions 'Hold Americans Hostage' to Employers and Insurance," *JAMA* 265 (1991): 2451.

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[7]Cynthia Sullivan and Thomas Rice, "The Health Insurance Picture in 1990," *Health Affairs* 10 (Summer 1991): 113.

[8]Robert Kerrey, "Why America Will Adopt Comprehensive Health Care Reform," *American Prospect* (Summer 1991): 85.

[9]Regina Herzlinger, "Healthy Competition," *Atlantic Monthly* (August 1991): 71.

[10]Robert J. Blendon and Humphrey Taylor, "Views on Health Care: Public Opinion in Three Nations," *Health Affairs* 8 (1) (1989): 149–57.

[11]See the forthcoming book by Paul Starr, *The Logic of Health Care Reform* (Tennessee: Whittle Books, 1992).

[12]For a detailed description, see Theodore R. Marmor and Jerry L. Mashaw, "Northern Light: Canada's Lessons for American Health Care," *The American Prospect* (Fall 1990): 18–29; General Accounting Office, *Canadian Health Insurance: Lessons for the United States* (Washington, D.C.: GAO, 1991).

[13]For a more detailed discussion of such plans, see Theodore R. Marmor and Michael S. Barr, "Making Sense of the National Health Insurance Reform Debate," *Yale Law & Policy Review* 10 (2) (1992).

[14]Alain C. Enthoven, "Consumer-centered vs. job-centered health insurance," *Harvard Business Review* (January-February 1979): 147.

[15]Ibid., 144–45.

[16]Robert G. Evans, " 'Rationing' Health Care: The Loaded Alternative," *Frontiers of Health Service Management* (Fall 1987): 31.

[17]For a thoughtful elaboration of this point, see Rudolph Klein, "Dilemmas and Decisions," *Health Management Quarterly* 14 (2) (1992): 2–5; see also the recent symposium on rationing published in the *University of Pennsylvania Law Review* 140 (2) (1992).

[18]Joseph A. Califano, Jr., "Rationing Health Care: The Unnecessary Solution," *University of Pennsylvania Law Review,* 1526.

[19]Quoted in Jan Blustein and Theodore R. Marmor, "Cutting Waste by Making Rules: Promises, Pitfalls, and Realistic Prospects," *University of Pennsylvania Law Review,* 1548.

[20]Even here, it is worth being a bit skeptical; consider the story of the Swedish Dr. Svenson. He arrives at his office Monday morning to find a 94 year-old male patient frenetically seeking his counsel. The patient, waving a copy of the American Surgeon General's report on health promotion, asks: "Is it true what I read here? If I give up chocolate, cut down on red meat, increase my consumption of fiber, forego sex, mixed drinks, and french fries, and walk 2 miles a day, will I really live 3.4 years longer than I otherwise would?" Dr. Svenson is reported to have replied: "I don't know about the science of this prediction, but it will *seem longer.*" Attributed to Professor Odin Anderson, Department of Sociology, University of Wisconsin.

[21]Louise Russell, *Is Prevention Better Than Cure* (Washington, D.C.: The Brookings Institution, 1986).

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[22]For a more detailed discussion of the similarities and differences among procompetitive plans, see Marmor and Barr, "Making Sense of the National Health Insurance Reform Debate."

[23]Enthoven, "Consumer-centered vs. job-centered health insurance," 147.

[24]Starr, "The Logic of Health Care Reform."

[25]See Humphrey Taylor and Robert Leitman, "Consumers' Satisfaction With Their Health Care," in Robert J. Blendon and Jennifer N. Edwards, eds., *System in Crisis: The Case for Health Care Reform* (Washington, D.C.: Faulkner & Gray's, 1991), 75–102.

[26]Quoted in Theodore Marmor and Jerry Mashaw, "Checking the Nation's Pulse: America's Health Insurance Fever," *Washington Post,* 17 November 1991.

[27]Henry Aaron, "Why Bother? America Won't Buy It," *Washington Post*, 15 September 1991.

[28]See Theodore R. Marmor, "Coping with a Creeping Crisis: Medicare at Twenty," in Theodore R. Marmor and Jerry L. Mashaw, eds., *Social Security: Beyond the Rhetoric of Crisis* (Princeton: Princeton University Press, 1988), 179.

[29]The current presidential campaign has only exacerbated this tendency. For months, President Bush has rarely promoted his own reform plan, offering instead demagogic attacks on "government-run health insurance" (which he has on various occasions analogized to the KGB). The approach is clearly designed to portray the Democrats as agents of "socialized medicine"; indeed, some Republican strategists have admitted as much. Bill McInturff, a political consultant advising the Bush campaign, conceded that "ads you will see will not be fair, appropriate, or accurate. . . . But let the Democrats try to explain." (Tom Hamburger, "Debate on Health Care Suffers from Serious Ailment: Politics," *Minneapolis Star and Tribune*, 30 August 1992). As of this writing (15 September 1992), the Clinton campaign has not settled on a specific reform proposal, although Clinton has pledged commitment to universal coverage and the control of medical costs. At various times, Clinton has praised "play or pay" plans, mandated universal insurance ("play"), and the merits of "managed competition." What is clear is that the Clinton campaign has anticipated Republican distortions in refraining from a detailed plan of its own.

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Daniel J. Kevles

Foundations, Universities, and Trends in Support for the Physical and Biological Sciences, 1900–1992

In 1902, Andrew Carnegie established the Carnegie Institution of Washington with a capital gift of $10 million, a sum equal to the entire endowment of Harvard University and far more than the total endowment specifically for research in all American universities combined. The new institution was to "encourage investigation, research, and discovery" by giving opportunities to the "exceptional man" as well as funding university facilities and research and underwriting the costs of publication. Carnegie, sure of "our national poverty in science," aimed to do nothing less than "change our position among the nations."[1]

Newly wealthy industrialists had been dispensing largess to private higher education for several decades and indirectly helping to boost scientific research. The University of Chicago had been founded in 1892 with a munificent gift from John D. Rockefeller that included a promise of $800,000 for graduate studies, which were then just beginning to develop seriously in the United States. The fledgling university had also received an additional $1 million from the businessmen of Chicago. The university was so well endowed that it was able to buy away from other academic institutions a number of distinguished faculty, including the physicist Albert A. Michelson, who would win the first Nobel prize awarded to an American in his discipline. The philanthropic boost to science, however, had by and large been a secondary dividend of the general assistance to private

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higher education, permitting the funding of graduate schools, laboratories, and salaries. In 1901, John D. Rockefeller, Sr. had pledged $20,000 a year for ten years to establish the Rockefeller Institute for Medical Research, in New York City; within the next several years, as though following Carnegie's example, he began to endow the Institute with millions. Charles William Eliot, the president of Harvard University, noted, "The endowment of research is becoming an attractive object for private benevolence."[2]

The Rockefeller and Carnegie gifts came at a time when exciting new areas of science were opening up. Physics was alive with new and revolutionary questions concerning the nature of X rays, the role of the electron in electricity and magnetism, and the structure of the electronic atom. Investigations into what Darwin's theory of evolution by natural selection might act upon had helped lead, in 1900, to the rediscovery of Mendel's long-neglected laws of heredity, which, now rediscovered, was stimulating the rise of the science of genetics. Yet if there was an abundance of vital new scientific problems, there was also considerable dispute over which of them Andrew Carnegie's generosity should be used to address, and over how his overall ambitions for science should be fostered.

Carnegie's gift explicitly recognized that advancing science required capital investments of two related but distinguishable types—in the search for basic knowledge and in the development of trained scientific personnel. Academic scientists urged that the lion's share of the Carnegie income be distributed through fellowships and grants primarily to exceptional academics. A different approach was advanced by other scientists, several of them veterans of the research enterprises sponsored by the federal scientific bureaus in the late nineteenth century. Several of these bureaus, children of the thrust to master and pry wealth from the continent, engaged in geological and geodetic surveys of the coasts or the interior, emphasizing large-scale field research. Scientists in that tradition argued that the Carnegie Institution should fund large, organized research projects, focusing on newer approaches to studying the earth such as geophysics. In the end, the Institution's trustees chose to emphasize big projects, while making some small grants to individual investigators. The Carnegie Institution would aim, wherever appropriate, to substitute "organized for unorganized effort," holding that "the most effective way to

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discover and develop the exceptional man is to put promising men . . . under proper guidance and supervision."[3]

By 1910, the Carnegie Institution was pouring about six times the amount of money going to small grants into ten large projects, all of them under its direct control. In 1911, Andrew Carnegie, impressed by the quality of the program, gave the Institution another $10,000,000 in endowment. Among the most impressive of the large projects was the astronomical observatory atop Mt. Wilson. A 100-inch reflecting telescope was built that went into operation in 1917 and rapidly became one of the most distinguished astrophysical research enterprises in the world. Several of the other Carnegie project departments —the Geophysical Laboratory and the Department of Terrestrial Magnetism—earned salient reputations in geophysics. The Carnegie Station for Experimental Evolution, at Cold Spring Harbor on Long Island, New York, was a major biological research facility. Emphasizing plant genetics initially, it expanded into human genetics of a sort; in 1911 a Eugenics Record Office was established close to it by a gift from Mrs. E. H. Harriman. The eugenics facility conducted field research into the heredity of characteristics such as physical disease and mental deficiency, and was later combined with the evolution station in 1918, creating the Carnegie Institution Department of Genetics—an enterprise whose research quality was as high in plant genetics as it was poor in human heredity.

The Rockefeller Institute's effort in medical research was strikingly innovative. While few medical institutions pursued research at all, those that did tended to emphasize clinical research rather than investigations into the basic biology of disease. Influential in shaping the Rockefeller Institute's program was Simon Flexner. He had absorbed Henry Welch's, of the Johns Hopkins University Medical School, belief that the future of medicine lay with inquiries into physiology, bacteriology, and pathology that incorporated knowledge and techniques of physics and chemistry.

The new endowments for research assisted academic science somewhat. While the Carnegie's external grants program was small compared with its large-project budget, it was large enough—amounting to about $100,000 a year on average—to be noticeable on the landscape of American science in the early twentieth century.[4] The Rockefeller Institute, however, gave no grants to academic

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biomedical scientists. And since university enrollments and faculties were expanding exponentially, the demand for support of basic academic science was growing steadily, reaching a magnitude sufficient to dwarf the Carnegie grants, which, taken together, were singular in their size and scope. In the decade before World War I, despite Charles William Eliot's hopeful observation, the Carnegie and Rockefeller gifts to research raised the hopes of university science but did little to fill its treasury.

During the prewar period, a powerful argument for the support of basic research was taking hold. It was the argument of utility—that advances in fundamental knowledge could be applied for practical purposes, making for new products, industries, and jobs, and higher agricultural productivity and standard of living. The argument dated back to the Scientific Revolution of the seventeenth century, but now it was earning recognition among leading industrial figures. Now that the frontier had closed and the nation was swiftly urbanizing, manufacturing was supplying far more of the annual national income than mining and agriculture combined. At the turn of the century, exports passed the billion-dollar mark, exceeding imports for the first time in American history. Businessmen were increasingly sensitive to competitive challenges in foreign as well as domestic markets, especially in high-technology fields such as electrical light and power, communications systems, and chemical products.

Such sensitivity led DuPont, Western Electric, General Electric, and Standard Oil, among other companies, to establish industrial research laboratories for inquiry into basic physics and chemistry. It also stimulated state governments to provide appropriations for research in state universities, including research in the physical sciences. And it prompted the federal government to enrich its subsidies for agricultural research in land-grant institutions, a number of which developed distinguished programs in plant and animal genetics, physiology, and bacteriology. On the eve of World War I, the idea was becoming commonplace among high-tech businessmen and their allies that research was, as Willis R. Whitney, the head of the General Electric Research Laboratory, said, "a necessity to any people who are ever to become a leading nation or world power."[5]

The wartime mobilization of science dramatized its practical value in a variety of military areas, including chemical weapons, submarine detection, radio communication, air combat and reconnaissance,

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ballistics, and weather prediction. The war, having moved ahead the development of new technologies like the airplane and voice radio, accentuated the idea that the fuel for economic prowess was to be found in the research laboratory. Influential big businessmen declared that without pure science, the whole system of industrial progress would dry up. Elihu Root, the corporation lawyer, former secretary of war, trustee of the Carnegie Corporation, and friend of the National Academy of Sciences, pointed to the efficiency with which Germany had mobilized research and predicted, "The prizes of industrial and commercial leadership will fall to the nation which organizes its scientific forces most effectively."[6]

During the 1920s, university presidents, whether they faced boards of trustees dominated by businessmen or state legislatures sympathetic to the needs of industry, found that climate of opinion a congenial one in which to appeal for greater support of scientific research and training. They became major money raisers, mounting drives for capital gifts or enlarged legislative appropriations, frequently citing the ultimate utilitarian benefits of pure science.

A similar approach inspired the National Academy of Sciences, in 1925, to inaugurate a drive for a National Research Endowment, which was to be capitalized at $20 million, mainly with contributions from industry. The endowment drive was chaired by Herbert Hoover, Secretary of Commerce, and its trustees included Elihu Root, Charles Evans Hughes, Andrew W. Mellon, John W. Davis, Owen D. Young, and Julius Rosenwald, a boardroom group that seemed to ensure the swift success of the campaign. However, raising $20,000,000 for pure science proved to be quite difficult, not least because the trustees aimed to obtain a sizable fraction of the funds out of corporations chartered to make profits, not engage in philanthropy. A British judge had laid down the fundamentally pertinent doctrine of common law: "Charity has no business to sit at boards of directors *qua* charity."[7] Further, the Internal Revenue Code did not then contain a provision allowing corporations to deduct the cost of philanthropies as such from taxable income, and attempts to write one into it early in the decade had failed repeatedly in the Congress. By holding deductible only direct operating expenses, the tax code bolstered the philanthropic limits set by the courts. Business corporations could engage in only those eleemosynary activities that promised to yield what lawyers called a "corporate benefit."

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To ensure that the National Research Endowment qualified for corporate largess, the trustees changed its name to the National Research Fund and proposed to spend, rather than invest, each contribution in the year it was made. That way a corporate donation would be a current expense, a payment for new knowledge, and, as such, both legal and tax-deductible. To lay to rest any possible doubts about the legality of corporate participation, Root drew up an informal brief on the point, concluding, with the concurrence of John W. Davis and Charles Evans Hughes, that, yes, business corporations whose competitive position depended upon the progress of science could contribute, so long as the corporate directors were not "swayed by motives of generosity or by public spirit."[8] By mid-1930, business enterprises and philanthropists had made sufficient commitments to put the Fund into operation, but when the trustees tried to collect on this, in the first year of the depression, one of the major donors reneged on a technicality. By 1932, the possibility of recouping from the defection was clearly gone and the National Research Fund, its promoters had sadly to agree, was dead.

The corporate donors were AT&T, US Steel, and the member companies of the National Electric Light Association and the American Iron and Steel Institute. General Motors had declined to participate; so had the railroads. Even the chemical and oil companies, which could expect a more substantial dividend from further advances in pure science than could the automobile or railroad industries, neglected to join the list of contributors. The trustees liked to think that the depression killed the Fund, the trouble was that, when produced in a university laboratory, the results of an investment in pure science were usually published widely; corporations that contributed to the Fund would in effect be helping to supply new knowledge to competitive firms that did not. AT&T could safely contribute because it was a monopoly. So could US Steel because it dominated the steel industry and because by prodding a contribution out of the American Iron and Steel Institute, it forced virtually every other major firm in the industry to share the total eleemosynary cost. Similarly, a donation from the national Electric Light Association was tantamount to gifts from all the firms in the lighting and power industry.[9] If American corporations declined to grant funds to academia for basic research, it was not only because they saw little

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corporate benefit for themselves; it was also because they were unwilling to risk providing corporate benefits to their competitors.

Economic self-interest also governed the type of financial contributions that industry was willing to make to academic science directly. Corporations and trade associations substantially enlarged the supply of fellowships in science. They also funneled over $1,000,000 into the technical departments of the land-grant colleges, their largess including grants from the National Electric Light Association for research on high voltage cables, from the National Tanners Association for work on the chemistry of skins, even from H. J. Heinz and the National Pickle Packers Association for studies in the diseases of cucumbers. When these gifts and grants were made through trade associations, every firm in a given industry had to bear the cost. Whatever the type of granting agency, the vast majority of the subventions evidently related directly to the business operations of the contributors; they promised to buy either immediately useful knowledge or employable trained talent. By the end of the decade, no corporation or trade association had turned over sizable funds to any university explicitly for pure science. Industrial corporations generally preferred to make their investments in pure research in their own company laboratories, where technologically promising discoveries could be patented before they were published.

The constraints on industrial corporations did not extend to the offsprings of industrial wealth—the major philanthropic foundations. Like rich individuals, they were free to ignore the doctrines of corporate benefit. Philanthropic funds became increasingly subject to distribution in accord with the judgment of professional philanthropists rather than the social ambitions of industrial captains. The organizational philanthropists may have had their status drives, too; there was a high status dividend to be won from helping university science. Before the war, only a few grants from the Carnegie Corporation of New York had gone to the academic world; the bulk of them went to the Carnegie Institute of Technology. Now, with Carnegie himself dead and the universities in fiscally straitened circumstances, the Corporation began contributing a good deal more to the nation's colleges, especially to the endowment of science. With the urging of Root, it also gave the National Academy of Science an

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endowment of $5 million, about a third of which went towards the construction of its first permanent home in Washington, D.C.[10]

THE ROCKEFELLER IMPACT

In 1918, at the urging of Simon Flexner, George E. Vincent, the head of the Rockefeller Foundation, who had formerly presided over the University of Minnesota in the expansionist mode of the progressive era, wrote to a small group of leading scientists, observing that "the industrial competition which will follow the war will test the scientific resources of the nation"[11] and noted that the United States had to keep its reservoirs of fundamental knowledge filled. Vincent asked for opinions on the idea of the Rockefeller Foundation's establishing a new independent research institution, like that for medical research, but devoted to physics and chemistry. Scientific opinions were divided, just as they had been on the policy option at the commencement of the Carnegie Institution. However, American physical scientists had no background of experience in large-scale, peacetime federal science; most had spent their lives in academic institutions. Expressing a strong resistance to a single central research institution, they indicated an equally powerful preference for the establishment of a postdoctoral research fellowship program for promising young scientists. In April 1919, the Rockefeller Foundation awarded the National Research Council, a recently created operating arm of the National Academy of Sciences, $500,000 to be spent over five years for postdoctoral fellowships in physics and chemistry. It was the first program of its kind in the United States. It was ample enough to operate on a national scale, and was enlarged, in 1923, to cover the biological sciences.[12]

The greatest enthusiast for science among Rockefeller officials of the 1920s was Wickliffe Rose. In 1923 Rose took over the Rockefeller General Education Board, whose activities were confined to the United States. He also went abroad for five months to explore the international philanthropic possibilities at the scientific centers of Europe. He returned home, disturbed by the extent to which the war had impoverished research and damaged international scientific collaboration but also knowledgeable and excited by the richness of intellectual opportunities arising from the revolutionary progress being made in the physical and biological sciences.[13]

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To restore European science and to advance research, Rose formed an imaginative proposal for the consideration of the Rockefeller trustees. Its essential strategy: Find the leading figures in the physical and biological sciences, ease the financial difficulties of their laboratories, and create a new system of international fellowships so that talented young Ph.D.'s could study under these masters in both Europe and in the United States. In 1924 the Rockefeller trustees appointed Rose the director of the new International Education Board, with an endowment that would ultimately reach $28,000,000, and he became virtually a central banker to the institutional world of western science.

Rose awarded some 40 International Education Board fellowships in the first year, more than 90 in the second, and more than 500 by the end of the decade to men from thirty-five nations, including such physicists from the Central Powers as Werner Heisenberg. Rose began his program of institutional aid with $40,000 for Niels Bohr to build an addition to his institute and he granted subventions to a number of universities of high rank in science, including those at Göttingen, Paris, Leyden, Stockholm, Edinburgh, and Cambridge. The largest single appropriation went to the California Institute of Technology for a new astronomical observatory, to be built on Palomar Mountain in southern California.

To enrich science at home, Rose relied primarily on the General Education Board, departing from its traditional practice of contributing to the general endowments of colleges and universities and shifting to raising the quality of advanced training and research, especially in the physical and biological sciences. By 1932 the Board had singlehandedly enlarged the funding of academic science by $19,000,000—about three times what it had awarded the humanities, and some six times what the total endowment for science in the United States had been at the turn of the century.[14]

"Make the peaks higher," Rose liked to say. Measured either by the quantity of papers published or the intellectual significance of the contents, a small number of investigators—an elite group—contributed disproportionately to scientific progress. During the 1920s, in the United States, the leading university faculties included much of that era's elite, and members of the same elite also advised foundation officers of the research fields that were on the leading intellectual edge and might merit investment. Of course, there was a degree of

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academic and professional self-interest in the arrangement. Nevertheless, the foundation dollar invested in one of these institutions was likely to pay a large dividend not only in the advancement of science but in the training of high quality scientists.

Between 1902 and 1925, the General Education Board had contributed to the endowment of 291 institutions; under Rose, who wanted especially to develop the quality of American scientific research, the Board awarded almost two-thirds of its total grants for science to just eight institutions—Caltech, Princeton, Cornell, Vanderbilt, Harvard, Stanford, Rochester, and Chicago. The overall funding of scientific research followed a pattern of concentrated distribution. The leading private institutions did best in tapping science-minded philanthropists; the major state universities, where research was already established, received the most substantial increases in appropriations. George Eastman and T. Coleman DuPont opened the 1920s with a combined gift to the Massachusetts Institute of Technology (MIT) of almost $1,000,000 for physics and chemistry; by 1931 six- and even seven-figure donations for science or research in general had gone to Harvard, Stanford, Princeton, Chicago, the California Institute of Technology (Caltech), and Cornell.[15]

The institutional concentration of foundation monies worked to considerable advantage in the development of the American physical and biological sciences. Indeed, in the 1920s, the philanthropic foundations, especially the Rockefeller Foundation, played a decisive role in transforming the United States into a world class player in the game of atomic physics and quantum mechanics, and in strengthening its eminence in astrophysics, genetics, and aeronautics.

RESPONDING TO SOCIAL STRESS

During the interwar years, the flood of private and philanthropic foundation money going into American science earned its critics. In the 1920s, in *Arrowsmith,* Sinclair Lewis suggested that big money represented temptations to corruption in basic research, making the point by recounting what happened to Martin Arrowsmith, the whilom devotee of pure biological research, when he joined the staff of the McGurk Institute of Biology, in New York City, a fictional version of the Rockefeller Institute of Medical Research. Its leaders urge the staff to achieve quick major breakthroughs, beat other

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research institutions to the punch, advertise the results to the press, and promulgate claims, even if unsubstantiated, for their medical efficacy. Arrowsmith is caught between the demands of the McGurk organization and his own sense of scientific integrity, which his mentor Max Gottlieb bolsters, admonishing him not to publish before he is certain of his data.[16]

During the 1930s depression, critics on the Left formalized and generalized Lewis' fictional indictment into what was sometimes called capitalism's general "degradation of learning." Liberals feared for the intellectual independence of the universities, especially private universities dependent upon wealthy donors. Some recognized that the issue had taken on a new and more subtle dimension since the days when Mrs. Leland Stanford could successfully demand the ouster of the sociologist and reformer Edward A. Ross from her namesake university. Now that the philanthropic foundations had assumed a major financial role in American higher education, just a few fabulously wealthy institutions could shape the objectives of a sizable fraction of American scholarship.

A statistical assessment of that point came from Eduard C. Lindemann, a contributing editor of *The New Republic,* a staff member of the New York School of Social Work, and the director of the WPA Department of Community Organization for Leisure. Lindemann had studied a hundred foundations—another two hundred refused to cooperate—distilled his findings into a brief, densely written compendium, *Wealth and Culture,* and interpreted his results at the invitation of *The New Republic* editors. Lindemann wrote that he had found no evidence that "American foundations represent a gigantic conspiracy on the side of reaction." However, he did stress that the legal control of the major foundations rested almost entirely with financially successful citizens of six eastern commercial states. "These accumulations of vested wealth," Lindemann went so far as to say, "cannot exert anything save a conservative influence in relation to American life."[17]

Charles Beard, in a review of Lindemann's book, extended the argument. The advance of science and technology, he noted, explaining an idea then widely current among reform-minded thinkers, produced a "cultural lag," a mismatch between the reality of material circumstances and the web of prevailing social practices and beliefs. The question was whether the philanthropic giants would—or

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could—help America catch up with herself. In the early 1930s reformers of different stripes were uniting in a common demand—the pursuit of science had to be reshaped to fit some moral definition of the nation's pressing social and economical needs, freed from the demands of profit-making and the whims of private wealth.

The need for socially purposeful science often occupied the thoughts of Warren Weaver, who in the early 1930s became director of natural sciences at the Rockefeller Foundation. Weaver had grown up in Madison, Wisconsin, imbibing the progressivism of Robert LaFollette, and had taught at the University of Wisconsin after obtaining his Ph.D. in mathematical physics, and coauthoring an authoritative textbook on electromagnetic theory with the physicist Max Mason. It was Mason, recently appointed president of the Rockefeller Foundation, who brought Weaver to his new post in New York, where the first order of business was to help plan the dispensation of the Rockefeller philanthropic millions over the next decade.

Because of the collapse of the stock market, retrenchment was the order of the day at the Rockefeller headquarters, but in choosing the kind of retrenchment to make in the natural sciences programs, Weaver was guided by a group of convictions. The sciences in general had come quite far in the United States, he was sure, far enough no longer to need major capital investment, either in facilities or in fellowships, from the Rockefeller Foundation. The Foundation ought now to concentrate its resources on a few selected fields, as opposed to ordinary disciplines, of scientific interest. The choice of fields, Weaver's argument continued, should be governed by two chief criteria. The first was ripeness for significant intellectual development. The second for Weaver, with his human sensitivity, moral convictions of a religious modernist, and loyalty to the progressivism of his friends the La Follettes, was the likelihood that the field would contribute to the "welfare of mankind."

Weaver told his fellow Rockefeller officials,

> The welfare of mankind depends in a vital way on man's understanding of himself and his physical environment. Science has made magnificent progress in the analysis and control of inanimate forces, but science has not made equal advances in the more delicate, more difficult, and more important problem of the analysis and control of animate forces.[18]

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Weaver believed that certain fields of biology, especially those likely to exploit physics and chemistry, were ripe for major advance. Combining his sense of scientific opportunity with his reformist convictions, Weaver recommended that the Rockefeller philanthropies give major financial support to selected fields which dealt directly with man. In summarizing his case in 1933 Weaver stated:

> The past fifty or one hundred years have seen a marvelous development of physics and chemistry, but hope for the future of mankind depends in a basic way on the development in the next fifty years of a new biology and a new psychology.[19]

Mason, who was notably interested in the physiological basis of mental illness, favored Weaver's proposal. So were the Rockefeller trustees, especially those who had never been happy with Wickliffe Rose's emphasis on the sciences. During the depression, social conditions which validated Weaver's own opinions colored the outlook of many trustees, particularly Raymond B. Fosdick. In 1919, while in London as Under Secretary General of the League of Nations, Fosdick became acquainted with Frederick Soddy, a distinguished British physical chemist who would soon win the Nobel Prize and was already an outspoken social critic. Though his arguments were somewhat muddled, Soddy's essential points were clear: material want made war, and technology made war terrible. If man did not soon learn how to direct science to the creation of an economically more equitable world, science, especially science that commanded the power in the atom, would soon destroy mankind. Indelibly troubled by Soddy's forecast, Fosdick pondered the social ramifications of science while practicing law in New York. In 1929 Fosdick commented in a book of gracefully written essays, *The Old Savage in the New Civilization,*

> This divergence between the natural sciences and the social sciences, between machinery and control, between the kingdom of this world and the kingdom of the spirit—this is where the hazard lies. Science has exposed the paleolithic savage, masquerading in modern dress, to a sudden shift of environment which threatens to unbalance his brain.[20]

Now Fosdick and his fellow trustees endorsed the key elements of Weaver's program, and Mason officially announced that the principal support of the Foundation would go to special areas of the

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biological and, reflecting Fosdick's influence, the social sciences. Physics and chemistry would be eligible for support only insofar as they related to biological problems. In 1936, Fosdick, the new president of both the Foundation and the General Education Board, summarized the rationale of the departure:

> Uneasiness and even alarm are growing as the belief gains ground that the contributions of the physical sciences have outstripped man's capacity to absorb them. . . . There can be but little question that a serious lag had developed between our rapid scientific advance and our stationery ethical development.[21]

The Foundation quickly reduced the money it had been making available for the National Research Council fellowships and stipulated that fully half the remaining awards had to go the biological sciences. At the end of the 1920s, it had pledged the National Research Council $100,000 a year for the support of academic scientific projects; in 1934 the commitment was terminated with a reduced final payment. Both the Foundation and the General Education Board, cutting their direct subventions to university science, cut those to the physical sciences the most.

Thomas Hunt Morgan, the Caltech Nobel Prize biologist, had no trouble winning ample help for research in genetics, but Weaver was not so much interested in genetics as such as in fostering research in "vital processes" that would transcend the boundaries of different disciplines, bringing physics and chemistry to bear on biological problems. To this end, he selected to support physical scientists disposed to work innovatively on biological problems, notably The Svedberg, in Sweden, for research on the structure of proteins; Linus Pauling, at Caltech, for work on the chemical bond and, later, proteins; and George Beadle and Edward Tatum, at Stanford, for explorations in biochemical genetics. Weaver also fostered the development of technologies for biophysical and biochemical analysis. By the early 1940s, he had deployed Rockefeller funds to assist in the creation or perfection of a variety of major new instruments, including the ultracentrifuge, X-ray and electron diffraction, electrophoresis, and electron microscopy. Much of the work that he supported would coalesce into the field of molecular biology, though not by Weaver's explicit design. Robert Kohler has recently pointed out that Weaver saw in the activities of people like Beadle "a kind of career

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and a mode of practice that he was sure would pay dividends," adding, "Weaver did not foresee what 'molecular biology' would become—how could anyone?—but he was a midwife at what was later to be seen as its birth."[22]

During the 1930s, nuclear and accelerator physics also flourished because Warren Weaver, among officers in other foundations, recognized that it promised medical benefits. Accounting for the structure of the atomic nucleus, including its radioactive transformation, was a natural next step in research for physicists to take after they had managed to untangle the structure of the atom and to invent quantum mechanics. Nuclear studies stood to profit from machines that would accelerate charged particles to energies high enough to probe the nucleus. Several types of such machines were under development by physicists at the beginning of the 1930s, including one at the Department of Terrestrial Magnetism. The most successful was the cyclotron that the Berkeley physicist Ernest O. Lawrence devised in 1932. Through the decade, Lawrence built larger and more powerful versions of the cyclotron and created the Radiation Laboratory at Berkeley to house, develop, and operate them.

The medical benefits of the cyclotron derived from the machine's ability to produce neutrons and radioactive isotopes—notably radiosodium and radiophosphorous—that might be exploited for medical research and cancer therapy, and to produce them far more abundantly and cheaply than radium. Lawrence, adept at the game of publicizing the work of his laboratory, unabashedly wrote press releases that celebrated at once both the cyclotron and any patron of its uses—for example, the National Advisory Cancer Council, a new federal agency which, by dispensing money to his laboratory, had "greatly accelerated the day in our generation when countless cancer sufferers may be benefited by these new radiations." The medical dividends, both present and predicted, were crucial to the funding of Lawrence's laboratory. He explained to Niels Bohr, "I must confess that one reason we have undertaken this biological work is that we thereby have been able to get financial support for all of the work in the laboratory. As you know, it is much easier to get funds for medical [rather than for physical] research."[23]

By the standards of depression-era physics, the Radiation Laboratory was a big-money enterprise. Between 1931 and 1940, the capital costs of Lawrence's laboratory totaled more than $162,000 and the

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operating costs, at least $390,000, far exceeded the cumulated research budget of the Berkeley physics department. (Lawrence paid $10,000 a year just for electricity.) About 40 percent of the actual operating dollars were provided by the state of California. The federal government supplied another 20 percent of the same costs and an equal fraction of the capital expenditures. All the rest—roughly 40 percent of the operating costs and 80 percent of the capital costs—came from private sources, from individuals, corporations, and foundations.[24]

Warren Weaver promoted the Rockefeller program for biology in part by granting subventions to nuclear research and contributing to the construction of cyclotrons. So did the managers of the medically oriented Macy and Markle foundations. Cyclotrons built in the United States after 1936—by 1940, 22 of the machines had been built or were under construction—tended to be designed and used primarily for biomedical work rather than physics research. Documents in the Nobel Archives reveal that the deliberations in the Swedish Academy of Sciences that led to the award of the Nobel prize to Lawrence, in 1939, stressed the power of the cyclotron to manufacture artificially radioactive sources equivalent in their radiative power to hundreds of grams of radium.

At the time he received the prize, Lawrence had a request in to the Rockefeller Foundation for help in building a cyclotron, the magnets of which would measure more than 15 feet in diameter and weigh more than 4,000 tons. Having obtained partial pledges of financial support from his patrons and the University of California, Lawrence wanted the Foundation to supply the remainder (the bulk) of the money for the machine—an amount totaling $1,500,000.

Warren Weaver worried about the wisdom of spending so much money for one project (the total capital cost of all the cyclotrons then operating in the world was estimated at $2,000,000), about whether the machine would work, and its utility to science and the world. The questions of utility were easy enough to answer: the cyclotron was indispensable to explore the so-called meson problem, which was one of the salient issues in nuclear physics and the emerging field of particle physics. On the medical side, it could well produce in minutes artificially radioactive substances equivalent in the power of their radiations to thousands of grams, which was to say hundreds of thousands of dollars worth, of radium. As to whether it would work,

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nine leading physicist in the world whom Weaver consulted, including Niels Bohr, enthusiastically endorsed its construction. In the view of the consultants, the project was a gamble, but no one in the world was better qualified to pull off the gamble than Ernest Lawrence.

At the top of the Rockefeller Foundation, President Raymond Fosdick had some special thoughts on the wisdom of the project, recalling that the Foundation had already pledged $6,000,000 to Caltech for the construction of a 200 inch telescope atop Palomar Mountain in California. The more meanly the world seemed to behave, the more Fosdick stuck proudly, almost mystically, behind the Foundation's pledge, feeling that this "titanic tool of science might bring into fresh focus the enigma of the universe, its apparent order, its beauty, its power." The more the world was beset by rabid nationalism, the more Fosdick was sure that the internationalism of science had to be maintained. The more the Nazis forced their irrational brutalities on Europe, the more Fosdick celebrated science for its method, its "confidence that truth is discoverable," its "faith that truth is worth discovering"—in all, for its historic aid to the democratic mind and spirit. Amid the seeming collapse of scientific civilization, Fosdick asked rhetorically: "Are bigger telescopes and cyclotrons needed in a world like this?"[25] His answer: Yes, emphatically yes. In the spring of 1940, the Foundation granted him the full $1,150,000 that he had requested for the giant cyclotron.

Other philanthropies were not so nobly inclined in 1940. The Rockefeller Foundation was not sympathetic to requests for help to build smaller cyclotrons. Funds for accelerators were contracting. A recent history of Lawrence's laboratory observes,

> The cyclotroneers escaped the logic of their situation—an increasingly competitive struggle for large sums in an increasingly inelastic market . . . a tightening tension between service to others and science for oneself—by going off to war.[26]

ADJUSTING TO THE FEDERAL GIANT

Physicists won World War II with microwave radar, proximity fuses, and solid-fuel rockets, and they ended it with the atomic bomb—so the history of the war was instantly understood by physicists and policymakers in the United States. The technological superiority had

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been achieved largely by civilian scientists working under the auspices of the Office of Scientific Research and Development (OSRD). Indeed, to a significant degree, the key technical projects of the war were led by cyclotroneers, including Lawrence himself, who used the magnets built for the Rockefeller-funded cyclotron to initiate the separation of the uranium isotope necessary for the atomic bomb. Less well known but also an essential part of the OSRD mobilization was its Committee on Medical Research, which itself mounted a number of wartime medical investigations and managed a number of triumphs, including the development of penicillin.

To scientists and policymakers at the end of the war, it seemed evident that in the interests of the nation's military security, public health, and economic welfare, the federal government had to foster programs of basic and applied scientific research and training in academic institutions, the traditional source of new knowledge and new scientific personnel. The general idea was influentially expressed by Vannevar Bush, the head of OSRD, in *Science—The Endless Frontier,* a report completed in July 1945, for the president of the United States. While insisting that, henceforth, the federal government had to supply patronage for the advancement of knowledge in the United States, Bush also stressed that federal science policy should be apolitical; federal support of science should preserve intellectual freedom; and should be as free of security restrictions as possible.[27]

After World War II, the federal government became the country's principal patron of research and development (R&D), notably through the Atomic Energy Commission (AEC) established in 1946; various agencies of the armed services, which were consolidated in the Department of Defense (DOD) by the National Security Act in 1947; the National Institutes of Health (NIH), established in 1948 as an umbrella for the National Cancer Institute, the new National Heart Institute, and other medical research and training activities in its parent agency, the Public Health Service. The National Science Foundation (NSF), created in 1950, was to have been the flagship agency of basic research and training in all the major areas of science, but by the time it was created NIH had preempted the field in the biomedical sciences and in virtually every other field it was vastly overshadowed by the agencies of defense-related research.

Indeed, the Cold War had made national security the predominant focus of federal R&D policy. In 1949–1950, the federal R&D

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budget amounted to some $1 billion; 90 percent of the money was provided by DOD and the AEC, with the defense accounting for somewhat more than $500 million and supporting at least 15,000 different projects. The military spent a good deal on the campuses for basic research recognized, to quote a later Defense Department directive, "as an integral part of programmed research committed to specific military aims"—that is, for basic technological research.[28] Typical of such activity was the Research Laboratory in Electronics, at MIT, which was created to extend the basic microwave research conducted there during the war, was supported by the three armed services, and was to accelerate the transfer of advanced atomic, molecular, solid state, and microwave physics to engineering practice.[29]

The military was also the principal supporter of basic scientific research in academia via the Office of Naval Research (ONR), which had moved quickly into the vacuum left by the absence of the NSF to build cyclotrons and betatrons, support the work of astronomers, chemists, physiologists, and botanists, and branch out into such unmilitary studies as meteors, the rare earth elements, and plant cells. By 1950, ONR was sponsoring some 1,200 research projects in almost 200 universities, and assisting some 2,000 science students towards their Ph.D's, while the AEC was providing some 800 fellowships a year in the physical and biomedical sciences in areas related to nuclear energy.[30]

With the outbreak of the Korean War, the defense R&D budget followed the overall defense budget into the stratosphere, more than doubling to some $1.3 billion in fiscal 1951, and more than doubling again, to $3.1 billion in fiscal 1953. Federal R&D expenditures fell slightly just after the Korean War, but the demands of high-tech national security—nuclear warheads, rockets and missiles, antisubmarine warfare and continental defense systems, and scientific manpower—drove them upward by 35 percent between 1954 and 1957, roughly a 10 percent increase in constant dollars. Defense and defense-related agencies continued to account for between 80 percent and 90 percent of federal R&D monies.[31]

Yet funds for basic scientific and technological research outside the defense area were also increasingly abundant. The NSF budget rose with the tide, reaching $16 million in 1956.[32] The Foundation provided a small but not wholly insignificant supplement to the

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enormous patronage that the DOD and the AEC provided to the nation's campuses for research and graduate training in physics, electronics, aeronautics, computers, and myriad other branches of the physical and biological sciences and engineering. In 1950, Congress had authorized the Surgeon General of the United States to establish such additional medical research institutes in NIH as he might consider appropriate; Surgeon General Leonard A. Schele promptly found it appropriate to create five more institutes—making a total of eight—urged on by the lobbying of Mary Lasker and her entourage and by the money that Congress insisted on pouring into health research. In 1951, the NIH budget totaled $50 million; in 1955, it was $81 million and still climbing. Part of the money was spent in NIH laboratories in the region of Washington, D.C., but at least a third of it was devoted to research fellowships for promising young biomedical scientists and for basic and applied biomedical research conducted in universities and medical schools.

Even adjusted for inflation, federal expenditures for R&D in the postwar decade or so dwarfed the total investment in science made by private foundations during the entire interwar period. The size of the federal monies discouraged private foundation support for science, and in the postwar decade, foundation patronage of research and training fell to a mere blip on the screen of the nation's yearly R&D budget. The largest drop in comparative share appears to have occurred in the physical sciences, which, being defense related, commanded the lion's portion of the federal R&D budget. Costs in the glamorous parts of these fields—for example, high energy physics—now outstripped the gift capacities of the foundations. Where the costs were not so demanding, federal support of them was so large as to leave the foundations little or no opportunity to make a difference. In the postwar decade, the Rockefeller Foundation virtually withdrew entirely from the development of the physical sciences as such or even as a part of biology.

However, the degree to which the federal government overwhelmed research and training in the physical sciences has tended to cloud historical understanding of the postwar role of foundations in the life of American science. The foundation blip on the budgetary screen was not like the classical mathematical point, having position without magnitude. Foundation support plummeted comparatively, but occupied a position of considerable magnitude in the biomedical

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sciences, where research costs remained modest and federal support, while growing rapidly, was not preponderant in the postwar decade.

In 1951, when federal support for medical research was $76 million, contributions from all sources other than industry, of which the foundations undoubtedly provided the most, came to $45 million, representing about 25 percent of the total spent on medical research in the United States. Grants and contracts for medical research that year amounted to roughly $33 million, about two-thirds of which came from the federal government, the rest from private sources. The Public Health Service, mainly NIH, supplied some $16 million of the federal grants. While that amount of money represented slightly less than 9 percent of the national total of funds spent for medical research, it helped to support an apparent 25 percent of basic biomedical research published from colleges and universities. NIH research grants averaged less than $9,000: In this period, private foundations could afford to support basic biomedical research, play a role in its progress, and make a significant difference in particular fields.[33]

During the postwar decade, the National Foundation for Infantile Paralysis made quite a difference in the emerging field of microbiology. Established in 1938 by Basil O'Connor, Franklin Delano Roosevelt's former law partner and ongoing confidant, the National Foundation was run from a headquarters in New York City, just a few floors away from O'Connor's offices. Lacking an endowment, it raised money each year through its March of Dimes campaign, enlisting celebrities, President Roosevelt and his family, about three thousand local chapters, and some two million volunteers. Checks poured in along with the dimes, enough to provide an annual operating budget of almost $3 million in 1940, close to $20 million in 1945, and more than $50 million in 1953. The purpose of the National Foundation was to fight and eventually eliminate the disease of poliomyelitis (polio) using its money to explore the nature of the disease and to develop defenses against it.[34]

In 1938, it was known that polio was caused by an animal virus that attacked the cells of the nervous system, but little was understood about the virus itself. Indeed, animal virology was a nascent field at best, extremely limited not only in knowledge but in the numbers of practitioners and arsenal of basic methods. The only effective means available for cultivating the virus was to inject it into

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monkeys, let it grow, then harvest it by killing the animals. Chicken embryo cells had recently been adapted to propagate animal virus cultures *in vitro,* but they were not a suitable host for the polio virus, and neither were other types of tissue culture cells.[35] In formulating and developing its program, the National Foundation consulted biological and medical experts. The experts advised its officials to mount a two-pronged attack: award research grants to advance knowledge of the polio virus in particular and of animal viruses in general; and give postdoctoral fellowships to promising young scientists to increase the number of trained practitioners in the field.

In the 1940s and early 1950s, the National Foundation was joined in supporting research in virology by the Rockefeller Foundation, which enlarged its long-standing concern with international health and development to include investigations in viral diseases—yellow fever, dengue, and encephalitis—transmitted by insects.[36] Although the NIH provided some support for work in the field, it was not until 1953 that it made microbiology an explicit commitment of its external grants program. Even then, the National Foundation spent more than twenty-five times as much on polio research as did NIH, which devoted the largest share of its grant money to cancer research.[37] Between 1938 and 1956, the National Foundation awarded 322 postdoctoral fellowships in virology and other fields related to polio, including 97 in microbiology. An official at the Foundation estimated in 1956 that no fewer than one-third of the virologists under the age of 45 in the United States had been trained under National Foundation fellowships. In the twenty years after 1938, National Foundation grants were awarded for work of path-breaking significance across a broad spectrum of microbiology. By 1956, 1,870 papers had been published that acknowledged its assistance: roughly 10 percent were in basic biochemistry, 14 percent in basic physiology, and 20 percent in viruses and viral diseases other than polio.[38] The Foundation's grants included sizable subventions to Linus Pauling at the California Institute of Technology for research into the structure of proteins, nucleic acids, and their components, and to Wendell Stanley, at Berkeley, for inquiries into the physical and chemical properties of plant, animal, and bacterial viruses. Its postdoctoral awards included a fellowship to James D. Watson that supported him during the year he puzzled out the structure of DNA with Francis Crick.[39]

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The National Foundation contributed substantially to the laboratory of John Enders at the Boston Children's Hospital providing both funds for Enders' research on the development of tissue cultures for the diagnosis of children's diseases and support for a postdoctoral fellow in his laboratory named Frederick C. Robbins. In 1949, Enders, Robbins, and Thomas H. Weller succeeded in growing poliovirus in laboratory cultures of human tissue that did not come from the nervous system. The feat transformed poliovirus production, emancipating it from the expensive use of live monkeys and pointing the way to large-scale production of a polio vaccine. Yet it also promised to revolutionize animal virology because it supplied a method for growing animal viruses reliably and efficiently *in vitro*.[40]

The revolution was further advanced by the Foundation's grants awarded in 1947 to Max Delbruck at Caltech. Although Delbruck's work concerned bacteriophage—viruses that preyed on bacteria rather than on animals—the Foundation considered this work worth supporting because Delbruck was a major pioneer in techniques for the study of viral reproduction and genetics. In 1953, Renato Dulbecco and Marguerite Vogt, then members of Delbruck's Caltech group, applied the techniques to animal viruses grown in a monolayer of human or animal tissue in a Petri dish, enabling the type of genetic analysis of animal viruses, including polio viruses, that had been brilliantly accomplished with bacteriophage.[41]

Animal virology's development, effectively seeded by the National Foundation, began to flourish as a major field when, in 1957, the Russians launched the satellite *Sputnik,* prompting the United States government to create the National Aeronautics and Space Administration (NASA). Federal R&D expenditures were increased so that, by 1967, they had almost quadrupled, amounting to close to $15 billion. Overall federal obligations for basic scientific and technological research rose at a steep rate, accounting in 1967 for about 14 percent of federal R&D monies. Nondefense-related activities now commanded as large a share of the federal R&D pie as defense-related ones, partly because of the high priority given the space program, partly because medical research was receiving burgeoning attention. In 1960, the NIH budget reached $400 million; in 1967, it reached $1.4 billion.[42]

Academic scientists of these years remember the quarter century following World War II as a golden era, especially once McCarthyite

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security restrictions began to lift in the mid-1950s. It was a time not only when money was freely available but when it was distributed in an apolitical manner and could be freely spent primarily in accord with their professional judgment. DOD was generally laissez-faire in its programmatic determinations, paying a good deal of attention to what capable academic scientists and engineers declared to be worth studying. As a result, the agencies allocated their grant and contract dollars de facto in accord with Wickliff Rose's idea of "making the peaks higher"—that is, of awarding basic research funds to the most capable scientists and engineers in the most capably equipped colleges and universities—and never mind the consequent geographical and institutional concentration.[43]

The system produced basic scientific and technological knowledge along with trained technical manpower, spinning a good deal of both off to industry and medicine, and letting the market determine their social and economic uses. It yielded not only nuclear weapons and intercontinental missiles but also thousands of doctorates in science and engineering. It was, of course, dominated by the federal government, yet philanthropic agencies like the National Foundation for Infantile Paralysis carved out important niches for themselves as patrons of budding research areas before the government fully recognized their significance. Indeed, the National Foundation had made a consequential difference, having achieved a vaccine against polio and having supported the research of some half a dozen of the scientists who won or shared in the 38 Nobel Prizes that came to Americans during the period.[44]

RISKS AND REASSESSMENTS: THE SLOAN FOUNDATION

During the 1960s, a coalition of dissidents from federal science policy began to bring a halt to the geometrical growth rate in federal science. The coalition also worked to shift R&D funds into socially purposeful areas such as pollution control and to bring about a more equitable social, institutional, and geographical distribution of those resources. Influential sectors of the coalition were also determined—increasingly, as the Vietnam War escalated—to limit the military's role in academic research and the scientific establishment's role in public policy, and, above all, to subject the federal scientific system to closer control by the instruments of political democracy.

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In 1969, Senator Mike Mansfield, of Montana, eager to reduce the military's influence in academic life, slipped a section into the military authorization bill—which came to be known as the Mansfield Amendment—that prohibited DOD from financing any research not directly related to a specific military purpose. The Mansfield Amendment was dropped from the military authorization bill the following year, but its statement of Congressional intent was taken lastingly to heart in the defense bureaucracy. Mansfield himself preferred to see basic academic science supported by NSF, and his amendment, which was accompanied by a call for substantial increases in the Foundation's budget, moved to restore the agency to the flagship role that had been envisioned for it. However, while the NSF budget was given more funds for basic research, the increase amounted to far less than necessary to offset sharp reductions in DOD's support to the campuses, which in constant dollars dropped steadily, to 45 percent in 1975, of what they had been in 1967.[45] By the mid-1970s, the federal R&D budget, then about $19 billion, had fallen in constant dollars about 20 percent below what it had been in 1967. Environmental, energy, and health research commanded a larger fraction of the total outlay; defense-related research—at only about 45 percent to 50 percent of the total—a much-diminished one.[46]

The dissenting trend of the period extended to many institutions of established authority, including philanthropic foundations, which had been the under sporadic Congressional investigation since the mid-1950s and were now charged with multiplying to excess, serving—many of them—only to shield wealth from taxation, and wielding a dangerously unaccountable degree of power. Consequently, the 1969 Tax Reform Act cracked down on foundations in a variety of ways, forcing them to pay out investment income promptly, prohibiting them from political lobbying, and requiring them to file annual reports subject to public scrutiny.[47]

The crackdown struck at the public *amour propre* of all foundations, including those foundations devoted primarily to science and medicine. Coming in the wake of the enormous post-Sputnik increase in federal expenditures for R&D, it stimulated these research-oriented philanthropies to a degree of soul searching. The sense of purpose of the National Foundation for Infantile Paralysis had been clear and unalloyed: allocate money to whatever activities might be necessary to rid the world of polio. Now, the abundance of federal

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funds not only for the physical but for the biological sciences compelled foundations without so clear cut a mandate—and even a number with one—to assess what role they could sensibly play in the advancement of scientific research and training.

Perhaps, the self-assessment at the Alfred P. Sloan Foundation was typical. The Foundation had been formally established in 1934 and operationally funded in 1937 with a gift of $10 million, by Alfred P. Sloan, Jr., a graduate in electrical engineering from MIT who made his fortune building the General Motors Corporation (GM). Its programmatic commitments reflected Sloan's interests—higher education, economics (which meant anti-New Deal economics in the early years), and scientific and medical research and training. The commitments translated specifically into several major ventures, notably the creation, in 1945, of the Sloan-Kettering Center for Cancer Research; in 1950, of the Sloan School of Industrial Management, at MIT; and in 1954, of the Sloan Program for Basic Research in the Physical Sciences.

The physical science program arose from the report of a panel of distinguished scientists that the Foundation had convened to report on the state of science in America. The panel, noting that more than 90 percent of federal research expenditures went to developmental activities, had urged the Foundation to offset this trend as much as possible, primarily by awarding special assistance to capable young basic scientists, who might be burdened by teaching and administrative duties. Echoing Andrew Carnegie, the panel recommended that the Foundation, in the words of its 1956 annual report, "invest its funds in talent rather than in projects." The panel's report led to the first funding, in 1955, of what became the Sloan Foundation Research Fellowship Program, which aimed, in the words of one of the Foundation's later annual reports, "to stimulate fundamental research by young scholars of outstanding promise at a time in their careers when their creative abilities are especially high and when federal or other support may be difficult to secure."[48]

Sloan died in 1966, having virtually run the Foundation singlehandedly since 1956, when he had retired from GM. His death cleared the way for the reassessment of the Foundation's purposes and activities, which was conducted in 1969 under the auspices of its new president, Neils Y. Wessell, who had come to the post from the presidency of Tufts University, under the principal guidance of

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Stephen White. White was an accomplished newspaperman and writer, the author of several books and influential reports, including the Carnegie Commission's influential report on public television. He was knowledgeable and enthusiastic about science and a prickly, brilliant, and decisive goad to creative thinking in the Sloan Foundation's self-reassessment.

The Foundation's 1969 annual report showcased the overall conclusion of the reassessment, spotlighting the role for foundations like the Sloan given the "enormous governmental invasion of fields that were for centuries the domain of private philanthropy," and declaring:

> In such an engagement, the government inevitably preempts the popular activities—those which have immediate general appeal. It preempts them, moreover, with a weight of financial resources which makes foundation resources appear almost minuscule. What is left to the private foundation, if it is to carve out its own place and play any kind of vital role, is just those philanthropic activities which are not yet manifestly popular, which are venturesome, and which may possibly fail.[49]

As a result of the reassessment, the Sloan Foundation resolved to maintain its general programs in support of research and training in economics and the natural sciences, but in keeping with Wessel's declaration of special purpose, it also decided to take on intellectually high-risk commitments. The 1969 report announced them as "Particular Programs," elaborating how they would differ from the Foundation's general program: They would be sharply focused, responding to a special, well-defined problem; would operate for a limited term, perhaps up to seven years; and would be the object of sizable investments.[50] The Foundation promptly inaugurated two Particular Programs—the first, a response to the calls for social responsibility, for minorities in management and medicine; the second, to develop the neurosciences.

The neurosciences comprised a cluster of disciplines which formed a multidisciplinary approach to the investigation of brain function. In a report on the subject, the Sloan Foundation staff noted that, of course, federal money was available for research in disciplines central to the neurosciences, but the staff argued:

> traditional academic guidelines have set the patterns for federal funding programs. Although it is not impossible to obtain support for interdis-

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> ciplinary or highly exploratory work, most support now goes to conventionally structured programs and specifically defined projects. The growing tendency for government to demand mission-oriented research and to operate on a contract basis will increasingly deflect funds away from areas which are not problem-oriented and do not produce immediate substantive results.

The staff report contended that the neurosciences was a field "at a critical stage of its development, analogous to that which molecular biology experienced in the 1930's," adding

> Now as then, there is a vital role for carefully guided private funds in aiding the emergence of important new knowledge. In the neurosciences at this time, the returns from small investments can be far greater than those in well-established areas of science such as particle physics or space exploration that now receive substantial federal support.[51]

In September 1969, the Sloan trustees approved a Particular Program in the neurosciences that would run five to seven years and spend between $10 million and $15 million. The venture was announced in the 1969 report, where it was justified in much the same terms as the staff had argued for it. Stephen White developed the program with the help of Kenneth Klivington, a Ph.D. in neurophysiology who had come to the Foundation, and in extensive consultation with leading scientists in the field. It ran through 1976, dispensing some $12 million in institutional, research, and training grants and almost another $1 million for Sloan Research Fellowships in the neurosciences.[52] The Foundation's officers counted the venture a great success, declaring in that year's report, "Much of what we know about brain function has been learned in the last seven years." Indeed, by then the NSF had established a program in support of neurobiological research. Neuroscience was flourishing in a number of leading institutions, and it was attracting substantial support for research and training in its own right, although it was suffering from the current constriction of federal support for basic research.[53]

In 1977, again under White's guidance, the Sloan Foundation embarked on a new Particular Program, one in the cognitive sciences, which was concerned with how human beings mentally process information. Rooted in traditional psychology, the cognitive sciences were reforming into an innovative interdisciplinary field as a result of

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recent advances in the neurosciences and in computer science. The Sloan Foundation would invest $20 million in the cognitive sciences before closing down the program in 1987, its principal goals—which were similar to those in the neuroscience program—having been realized.[54]

THE CONTINUING LEVERAGE OF FOUNDATIONS

All the while, the United States government had, of course, remained committed to a federal responsibility for basic scientific research and training—but the post-1967 trend in federal science policy departed from that vision in several fundamental respects, particularly in that science policy had been made much more a creature of the political process. It had not been politicized in the sense that what might be thought or published was subject to political test. It had been politicized—at least during the Nixon administration—in the sense that appointments to advisory and administrative posts, including at one point the directorship of the NSF, had taken into account candidates' views on such volatile issues as antiballistic missile policy and the Vietnam War. But science policy had also been politicized in a more profound sense: structurally—the allocation of resources for R&D had been incorporated into the conventional political process, becoming much more a part of the play of competing interest groups.

Through the 1960s, the President and the federal bureaucracy had held the upper hand in most areas of science and technology policy-making, partly because of their control of budget-making, partly because they could marshall an enormous array of technical expertise in defense of their policy choices. By the mid-1970s, Congress had marshalled its own arsenal of expertise beyond the special subject of atomic energy—through the experience of individual members and through the establishment of committees with capable staffs, knowledgeable in areas such as space, the environment, health, and the like. Both the House and the Senate were better equipped than either had been during the twenty years or so after World War II to check and balance the power of the White House, to give voice to the increasingly diverse interest groups who claimed a stake in science policy.[55]

The diversification—and empowerment—of science-policy interest groups had a good deal to do with the diversification of focus in

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federal R&D: the reduction in emphasis on science for its own sake, the increase in emphasis on science for social improvement, technological development, and regulation. Scientific research had become more integral to regulatory policy-making as a result of the passage of laws to strengthen environmental protection, occupational health and safety, public health and medicine, and consumer protection. While the scientific community continued to enjoy intellectual freedom of inquiry, its previously most powerful branches—high-energy physics, for example—could no longer determine with virtual autonomy which inquiries federal monies would emphasize. Not least because it was so much a ward of federal largess, academic science fell within the scope of federal regulatory powers that addressed issues ranging from affirmative action to environmental health and safety. Federal regulations had even been imposed on the conduct of basic research itself, notably in the area of recombinant DNA.

From the late 1970s, a renewed attention to national security, and a new one to international economic competition, especially from the Japanese, drove federal R&D expenditures rapidly upward. In 1986, they reached $57 billion—27 percent higher in constant dollars than the late-1960s peak. The largest share of the increase went to defense, which in the late 1980s commanded about 70 percent of the federal R&D budget, a share approaching that of the 1950s.[56] The increase in the DOD fraction of the R&D budget was achieved mainly during the Reagan years through relatively slower growth in some nondefense R&D budgets—notably health—and absolute reductions in others, such as natural resources and the environment as well as energy. The shift was accompanied in science, as it was in most areas of the economy, by a decrease in federal regulations; for example, regulations governing research with recombinant DNA, eased in the late Carter years, were virtually removed in the Reagan era.[57] All the while, socially purposeful research was redefined to mean research to strengthen the nation's high-tech competitiveness, by the encouragement of closer collaboration between the industrial and academic sectors of science.

The political absorption with the economic and military value of science has relegated the principle of sustained federal commitment to basic scientific research of no recognizable utility to stepchild status in federal science policy. Although the 1980s was marked by a revived federal commitment to basic research, federal R&D policy

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has unabashedly emphasized basic inquiry in areas of identifiable nearterm or longterm relevance for national defense and economic competitiveness.[58] In the early 1980s, for the first time since 1939, the business sector spent more on R&D than the federal government, and recently, it has been spending about as much, a trend that has accentuated the shift to technological relevance. Donald Kennedy, then president of Stanford University, remarked that, while greater industrial patronage of university science was desirable, it did raise the danger of "contamination of the basic research enterprise in the university by a new set of values and new objectives."[59] Industry's academic involvements increased during the 1980s, though, because most corporations remained concerned with attaining corporate benefits, not as much as some had hoped. Still, the enlarged industrial support for university science, collaborative arrangements, and patent agreements have all undoubtedly strengthened incentives on campus to move basic research in directions with more likely technological payoffs.

The White House continues to hold the upper hand in federal science policy, commanding the services of the bureaucracy, including the Office of Management and Budget, whose reach is immense and whose internal examiners include a number of Ph.D's in the sciences. However, Congressional knowledge—and, hence, authority—in technical issues has continued to increase. The result is that the principle of an apolitical science—a system of federally supported research kept comparatively free of the policy controls of democratic government—has become completely untenable.[60] Science, technology, and medicine are so important in American life as to be irreversibly involved in all parts of the nation's political system. Policy for them is no longer something special but is the product of the normal political interaction among Congress, the White House, and the federal bureaucracy.

Key features of the federal R&D system that developed after World War II are no longer sacrosanct. Federal R&D funds have continued to be allocated mainly to the better qualified investigators and institutions rather than in accord with any principle of equity in geographical or institutional distribution. However, Congress has challenged the concentrated distribution of federal R&D funds, responding sympathetically at times to appeals by have-not or have-less institutions by legislating direct grants for the development

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of laboratory facilities to particular universities.[61] Federal pressures for affirmative action have stimulated a number of scientists to complain that the system is no longer the meritocracy that, in their view, it used to be. Federal R&D agencies regularly come under political scrutiny if only because of the magnitude of their budgets, and academic administrators as well as practitioners of R&D have recently undergone suspicious scrutiny for laxness on fraud as well as on overhead charges.

Federal responsibility for basic research continues to command special attention in the political system. The NIH supplies the campuses with 80 percent more constant dollars than it did in 1967. In the physical sciences, the NSF provides about 20 percent more of the federal dollars going to basic research in academia—17.4 percent compared with 14.4 percent—than it did in 1967.[62] However, the budgets of neither the NIH nor the NSF are adequate to fund all the intellectually meritorious proposals that come to them for basic scientific research from individual or small-group investigators. Anxieties on this score were intensified early in 1992, when Bernadine Healy, the director of the NIH, released a Strategic Plan for the agency that appeared, in the view of some observers, to promote a more centrally administered research program targeted to specific diseases than an investigator-initiated one emphasizing basic knowledge.[63] In 1986, all federal sources combined provided only $246 million for graduate fellowships, traineeships, and training grants, a sharp reduction—in constant dollars, a drastic one—from the $447 million that it had made available in 1967.[64]

The golden age in federal R&D that ran from 1945 to around 1970 has clearly not resumed, either in abundance of resources or in the latitude with which resources can be used. New departures in basic research may be possible in defense-related and even economic areas, but the circumstances of federal R&D pose special difficulties in areas that are independent of any technological or medical interest, whether of an economic or military nature. Such initiatives do not enjoy a natural constituency in the mission-oriented agencies. More important, they cannot easily compel attention in agencies that emphasize basic research but whose budgets are inadequate to support all the highly meritorious work in fields that already exist.

Under these circumstances, biomedical research has been fortunate to have acquired the assistance in recent years of the Howard Hughes

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Medical Institute (HHMI). Established in 1953, HHMI did not become philanthropically active until after Howard Hughes' death, in 1976. Since 1985, however, when the sale of the Hughes Aircraft Company injected vast sums into the HHMI treasury—in 1990, the Institute's endowment was valued at $5.6 billion—it has been enormously influential in biomedical research and training in the United States. HHMI funded research laboratories at fifty-one academic and medical institutions, supporting more than 1,500 researchers overall in five major areas—cell biology and regulation, genetics, immunology, neuroscience, and structural biology. It also operated a grants program that supported undergraduate, graduate and medical, and postdoctoral students in some 200 colleges and universities, supplying enough fellowships to make it comparable to the NSF as a patron of scientific training. By 1990, HHMI's subvention of biomedical research and training in American universities—more than $200 million annually—amounted to almost 10 percent of the monies provided by NIH.[65]

Although no other foundation devoted to science matches HHMI in size of endowment and programmatic reach, the situation in federal science has given even more modest philanthropic foundations new and broadened opportunities to make a difference. For example, from the mid- to late- 1970s, when funds were unavailable from federal agencies for the development of instruments in biology, the Weingart Foundation provided Leroy Hood, a molecular biologist then at Caltech, with $200,000 a year to develop technologies for fast gene sequencing. Although after 1980 NSF supplied support for this work, as part of its new technology and instruments program, the private Weingart funds supplied Hood's laboratory with essential venture capital for the automated sequencers and other genetic technologies that have helped greatly to speed up DNA analysis and now figure fundamentally in the human genome project.[66]

In 1985, the Sloan Foundation stepped in where government was only a minor presence, initiating a program in molecular evolution and explaining in its annual report for the year:

> For the first time, the powerful techniques of molecular biology are making it possible to unravel the millions of years of evolutionary history that are encoded in the genetic complement of living species. Evolutionary biology no longer need rely solely upon the incomplete

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> fossil record and the often hard-to-interpret evidence from morphological comparisons.

The report added that the scale of molecular-level research on evolution was "quite small," partly because of its cross-disciplinary nature and partly because the available research funding was sparse.[67] Between 1985 and 1991, when the Foundation ended the program, it invested almost $5.5 million dollars in molecular evolution, stimulating its development and crystallization into a significant branch of basic biology.

In 1991, the Sloan Foundation awarded Research Fellowships to 89 younger scientists working in physics, mathematics, neuroscience, and economics at 50 colleges and universities in the United States and Canada. The 1991 awards brought the total of Sloan Research Fellows since the inception of the program to 2,600, 16 of whom had won Nobel prizes and hundreds more of whom had achieved distinction in their fields. In their entirety, the awards had cost the foundation $58 million—a small price, certainly by the standards of postwar science. It was also a clear cut indicator that a small investment in exceptional people could pay large dividends in scientific progress, as could investments in institutions of high promise and excellence. "We are sometimes called elitist," Albert Rees, a former provost of Princeton University and head of the Foundation at the time, had remarked early in his presidency, adding that the characterization was one "we gladly accept."[68]

Rees, who recognized the role of the private foundation in advancing science, succinctly stated the case for them in 1980 in a way that is all the more apropos at this point in the post-golden age:

> It is more or less the case that a private foundation today can do for science what the federal government has not yet found its way to do or what government, for special reasons, should not do. That state of affairs is by no means to be deplored. A total reliance on government would render the support, however lavish, imperfect in many ways; there is a sense in which foundation support, however paltry its share of the scientific dollar, is more essential than ever to the health of science.[69]

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[2]*Report of the President, Harvard University, 1900/1901,* 34.

[3]*Carnegie Institution of Washington, Yearbook, 1902,* xxxviii.

[4]Robert E. Kohler, *Partners in Science: Foundations and Natural Scientists, 1900–1945* (Chicago: University of Chicago Press, 1991), 15.

[5]Willis R. Whitney, "Research as a National Duty," *Science* 43 (5 May 1916): 629.

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[7]Quoted in "Donations by a Business Corporation as *Intra Vires*," *Columbia Law Review* 31 (1931): 136.

[8]Elihu Root, "Opinion and Memorandum Concerning the Power of Corporations to Subscribe to a Fund to be Used in the Prosecution of Research in the Pure Sciences," attached to Harold Phelps Stokes and Vernon Kellogg, 16 April 1926, Records of the National Academy of Sciences-National Research Council, Archives, National Academy of Sciences, Washington, D.C., National Research Endowment file.

[9]Besides, Hoover reportedly remarked of the Association: "Don't fool yourself that they care a damn for pure science. What they want is to get into their reports, which will soon be examined by the Federal Trade Commission, that they are giving money for pure science research." George Ellery Hale to Robert A. Millikan, 15 March 1928, Robert A. Millikan Papers, Archives, California Institute of Technology, Pasadena, Calif.

[10]Daniel J. Kevles, *The Physicists: The History of a Scientific Community in Modern America* (Cambridge: Harvard University Press, 1987), 149–50; Kohler, *Partners in Science*, 120–21.

[11]George E. Vincent to Robert A. Millikan et al., 5 February 1918, Records of the Rockefeller Foundation, Archives of the Rockefeller Foundation, Rockefeller Archive Center, Pocantico Hills, North Tarrytown, New York.

[12]Kohler, *Partners in Science,* 106–13; the new John Simon Guggenheim Foundation fellowships also supported some scientists and played an influential role in the development of American science between the wars. See Stanley Coben, "Foundation Officials and Fellowships: Innovation in the Patronage of Science," *Minerva* XIV (Summer 1976): 229, 235–36; and Coben, "American Foundations as Patrons of Science: The Commitment to Individual Research," in Nathan

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Reingold, ed., *The Sciences in the American Context: New Perspectives* (Washington, D.C.: Smithsonian Institution Press, 1979), 229–47.

[13]Ibid., 135–42.

[14]Kevles, *The Physicists*, 190–92.

[15]Measured by the operating expenses available to them in science, leading public institutions kept apace. Legislative appropriations for research in public universities climbed steadily, at Wisconsin, Michigan, and Berkeley, reaching a combined total of almost $200,000 by 1932, an income equivalent to the return on new endowment of at least $5,000,000. Ibid., 193.

[16]The temptations were made evident to Lewis by the bacteriologist Paul de Kruif, who assisted him in the composition of the novel. See Mark Schorer's "Afterword," in the New American Library edition of *Arrowsmith* (New York: 1961), 432–33.

[17]Eduard C. Lindemann, "Foundations," *The New Republic* 89 (16 December 1936): 214. See also Lindemann, *Wealth and Culture* (New York: 1936), 58.

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[20]Raymond B. Fosdick, *The Old Savage in the New Civilization* (Garden City, N.Y.: 1929), 37.

[21]*Annual Report of the Rockefeller Foundation, 1936*, 6.

[22]Kohler, *Partners in Science*, 357–58.

[23]J. L. Heilbron and Robert W. Seidel, *Lawrence and His Laboratory: A History of the Lawrence Berkeley Laboratory, Volume 1* (Berkeley: University of California Press, 1989), 156–57, 34–39, 219. The medical returns of accelerator work also led Lawrence and one of his key patrons—the Research Corporation—to suppose that the Radiation Laboratory might be made to pay—or more than pay—for itself. The Research Corporation was a nonprofit organization that had been founded in 1912 to hold and exploit patents generated in academic research and to plow whatever they might earn back into basic science. It had supplied a crucial grant to Lawrence when he was first developing the cyclotron and it nudged him to take out and assign to itself patents on the machine. In the 1930s, academic culture, long dubious about patents, was turning receptive to them, partly as a way of controlling the useful research it produced, partly in the hope of realizing income to offset the financial damage of the depression. Lawrence was highly receptive to that mode of thinking. He urged his X ray tubes upon the Research Corporation, noting, "I am told that there is a very big market for such deep therapy outfits." He cooperated enthusiastically with the Corporation's maneuvers to establish a dominant position in a new radiopharmaceutical industry. Lawrence was unable to obtain patents on the production of artificial radioelements (not for lack of trying but because the US patent examiner raised difficult technical objections to the claim). He consoled the Research Corporation's lawyer that, after all, they still owned the cyclotron, which, "I am sure will always be the apparatus that produces the radioactive substances." That prospect helped keep the Research Corporation providing grants to Lawrence's laboratory

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and Lawrence willing, at the Corporation's behest, to patent improvements on the cyclotron. However, the cyclotron was outstripped as the production apparatus for radioelements by the nuclear reactors developed during the war. Ibid., 105–106, 109–11, 121, 194–95, 197–99.

[24]Ibid., 207, 213.

[25]Raymond B. Fosdick, *Chronicle of a Generation* (New York: Harper, 1958), 281; *Annual Report of the Rockefeller Foundation, 1940*, 43, 45.

[26]Ibid., 315–16.

[27]Vannevar Bush, *Science—The Endless Frontier: A Report to the President on a Program for Postwar Research*, reprint edition (Washington, D.C.: National Science Foundation, 1990).

[28]"Research and Development in the United States, 1941–1952," table attached to Oliver Buckley and James Killian, 26 October 1951; Department of Defense Directive, "Policy on Basic Research," 19 June 1952, Karl T. Compton/James R. Killian MSS, MIT Archives (hereafter, C/K MSS), Box 256, folders 10, 13; Paul Forman, "Behind Quantum Electronics: National Security as a Basis for Physical Research in the United States, 1940–1960," *HSPS: Historical Studies in the Physical and Biological Sciences* 18 (1) (1987): 211.

[29]S. S. Schweber, "Big Science in Context: Cornell and MIT," in Peter Galison and Bruce Hevly, eds., *Big Science: The Growth of Large-Scale Research* (Stanford: Stanford University Press, 1992) 149–83; Stuart W. Leslie, "Playing the Education Game to Win: The Military and Interdisciplinary Research at Stanford," *HSPS: Historical Studies in the Physical and Biological Sciences* 18 (1) (1987): 62–67; Forman, "Behind Quantum Electronics," 156, 204, 186–7.

[30]Kevles, *The Physicists*, 355, 359, 364.

[31]US Bureau of the Census, *Historical Statistics of the United States, Colonial Times to 1970, Bicentennial Edition, Part 2* (Washington, D.C.: 1975), 966.

[32]Forman, "Behind Quantum Electronics," 161–64, 191–94, 220–21.

[33]Kenneth M. Endicott and Ernest M. Allen, "The Growth of Medical Research 1941–1953 and the Role of Public Health Service Research Grants," *Science* 118 (25 September 1953): 337, 341, 343; Stella Leche Deignan and Esther Miller, "The Support of Research in Medical and Allied Fields for the Period 1946 through 1951," *Science* 115 (28 March 1952): 321–43.

[34]Jane S. Smith, *Patenting the Sun* (New York: William Morrow, 1990), 73, 82, 161.

[35]T. E. Boyd, memo to Basil O'Connor, "Contributions to Science in the Field of Poliomyelitis," n.d. [1956], March of Dimes Birth Defects Foundation Archives, Mamaroneck, N.Y., 4, 18; Smith, *Patenting the Sun*, 124. Karl Landsteiner and Erwin Popper had experimentally demonstrated the transmission of polio to monkeys in 1908. The agent of transmission was shown to be a filterable one, i.e., a virus. In 1936, Alfred Sabin and Peter Olitsky managed to cultivate polio virus *in vitro*, using human embryonic nervous tissue as the medium. This led to the mistaken belief that the polio virus could only be cultured in nervous system tissue. Since such tissue was unsuitable for developing a vaccine, not much work

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was pursued on tissue-culturing the polio virus for some years. Ibid., 125; Boyd, "Contributions to Science in the Field of Poliomyelitis," 6–7, 9.

[36]*The President's Review from the Rockefeller Foundation Annual Report, 1956* (New York: The Rockefeller Foundation, 1956), 29.

[37]In 1953, the NIH polio research budget was $72,000; the National Foundation's, $2 million. Smith, *Patenting the Sun,* 249.

[38]Boyd, "Contributions to Science in the Field of Poliomyelitis," 23–24.

[39]Ibid., 21–22, 31–32; James D. Watson, *The Double Helix: A Personal Account of the Discovery of DNA* (New York: Athenaeum, 1968), 132. The National Foundation awarded grants for work on the encephalitis virus at Berkeley; on human viral diseases at Harvard, some of which monies were given to Enders; on animal and plant viruses and biophysical properties of viruses at the University of Pittsburgh, where the program was stimulated by the arrival of Salk, in 1947. Boyd, "Contributions to Science in the Field of Poliomyelitis," 20–23.

[40]Smith, *Patenting the Sun,* 135–37; Boyd, "Contributions to Science in the Field of Polyomyelitis," 30.

[41]Boyd, "Contributions to Science in the Field of Poliomyelitis," 31.

[42]Figures calculated from the tables in US National Science Board, *Science Indicators, 1972* (Washington, D.C.: 1973), 115; *Historical Statistics of the United States, Part 2,* 966; US National Science Board, *Science and Engineering Indicators—1987* (Washington, D.C.: 1987), 245.

[43]In 1963, 71 percent of such dollars went to just nine states on the east and west coasts; California, with its large concentration of aerospace firms, absorbed almost 39 percent of the total. The geographical concentration was less marked in the distribution of federal R&D monies to academia. In 1968, for example, the Pacific region received some 19 percent of that total; the South Atlantic, some 12 percent; and the East North Central, the mid-Atlantic, and New England combined about 48 percent. Nevertheless, the bulk of federal research dollars was distributed over relatively few academic institutions, with roughly 20 of them, including private universities such as Stanford, Chicago, and MIT and public ones such as the University of California receiving close to half such largess in the 1950s and 1960s. The leading universities also drew a disproportionately large number of the graduate students who held federal fellowships. Figures calculated from National Science Foundation, *Federal Support to Universities, Colleges, and Selected Nonprofit Institutions for Fiscal Year 1968* (Washington, D.C.: 1969), 8, 15; Kevles, *The Physicists,* 396–7.

[44]*Science Indicators, 1972,* 128.

[45]DOD subventions to the campuses fell between 1967 and 1975 from 779 to 353 million constant 1982 dollars, making a drop in that currency of $424 million. During the same period, NSF's subventions, starting at 582 million constant 1982 dollars, increased by only 174 million in that currency. *Science and Engineering Indicators—1987,* 245, 202.

[46]US National Science Board, *Science Indicators, the 1985 Report* (Washington, D.C.: 1986), 218, 227; *Science Indicators, 1972,* 111.

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[47]By late 1969 there were more than 22,000 foundations in the United States, "with new ones being created at an unprecedented and increasingly rapid rate. One congressional study revealed that by the end of 1967 the assets of 647 foundations under review had increased almost 75 per cent in seven years. Two years later total foundation assets were estimated to be in excess of twenty billion dollars. Although these assets pale when compared to total government spending or to the gross national product, foundations control the nation's largest pool of independent funds. In 1968 foundations made grants totaling approximately 1.5 billion dollars." Thomas C. Reeves, ed., *Foundations under Fire* (Ithaca: Cornell University Press, 1970), 1, 33–34.

[48]Alfred P. Sloan Foundation [hereafter, APSF] *Report for 1956,* 39–41; *Report for 1989,* 4. In the first year of the program, the foundation gave 22 fellowships in physics, chemistry, and mathematics to scientists at 16 universities and colleges. "Sloan Foundation Awards $2.67 Million for Research Fellowships," Foundation press release, 15 April 1991. During the 35 years ending in 1980, the Sloan Foundation awarded $34 million in gifts to Sloan-Kettering, and Alfred P. Sloan, Jr. personally gave the Center an additional $33 million, bringing the total benefactions attributable to Sloan to $67 million. APSF *Report for 1980,* 18.

[49]Neils Y. Wessell, "President's Statement," APSF *Report for 1969,* 3–4.

[50]Ibid., 7.

[51]The field was growing out of several subdisciplines—neuroanatomy, neurophysiology, neurochemistry, neuropathology, neurology, and neuropharmacology—and it drew conceptual and methodological tools from molecular biology, electrical engineering, and linguistics. "Particular Program - No. 2: A Five to Seven Year Program to Advance Research and Training in the Neurosciences," APSF internal document, 15 September 1969, 2–3, 8, 12.

[52]Wessell, "President's Statement," APSF *Report for 1969,* 8; "Further Definition of a Particular Program in the Neurosciences," APSF internal document, 15 December 1969, 4; APSF *Report for 1970,* 36; APSF *Report for 1976,* 46.

[53]"Report to the Trustees on the Particular Program in Neuroscience," APSF internal document, 5 April 1972, 6; APSF *Report for 1976,* 46–47.

[54]"Cognitive Studies," APSF internal document, 2 December 1975, 8, 12–13; "Report on Planning for Cognitive Science Program," APSF internal document, 25 May 1976, 3; "Proposed Particular Program in Cognitive Science," APSF internal document, 7 December 1976, 6–7, 12, 15–16; APSF *Report for 1977,* 48–49; APSF *Report for 1979,* 49, 51; APSF *Report for 1981,* 14; APSF *Report for 1986,* 6; APSF *Report for 1987,* 6; Eric Wanner, "The Sloan Program in Cognitive Science," APSF internal document, Spring 1985, 1–2.

[55]On the increasingly widespread distribution of power in science policy, see Richard Barke, *Science, Technology, and Public Policy* (Washington, D.C.: CQ Press, 1986).

[56]Figures calculated from tables in *Science Indicators, The 1985 Report,* 217; *Science and Engineering Indicators—1987,* 234; Paul B. Stares, *The Militarization of Space: U.S. Policy, 1945–1984* (Ithaca: Cornell University Press, 1984), 258.

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[57]*Science and Engineering Indicators—1987,* 245, 227.

[58]This shift has been nowhere more evident than in the support of academic research by DOD, whose practice has remained, de facto, in harmony with the Mansfield Amendment. DOD subventions to academic research are one-third greater in constant dollars than they were in 1967, but they have not been marked by the broad-spectrum patronage that characterized its involvement with academia in the twenty-five years following World War II. The defense department's increased funding of basic research has tended to emphasize basic technological rather than basic scientific investigations. It has typically been directed at research in semiconductors, optics, lasers, cryptography, integrated circuits—subjects that can yield results both of robust economic and of sensitive military utility (hence, the extension of security restrictions to the results of basic research). The DOD budgetary presence on the campuses has been proportionately high in fields such as aeronautics and astronautics, electrical engineering, and computer science, and relatively low in fundamental physics, chemistry, and biology. Richard Abrams, "The U.S. Military and Higher Education: A Brief History," in David A. Wilson, special ed., *Annals of the American Academy of Political and Social Science: The Universities and the Military* 502 (March 1989): 27–28; *Science and Engineering Indicators—1987,* 245; John P. Holdren and F. Bailey Green, "Military Spending, the SDI, and Government Support of Research and Development: Effects on the Economy and the Health of American Science," *Journal of the Federation of American Scientists* 39 (September 1986): 13.

[59]*Science and Engineering Indicators—1987,* 234; Dickson, *The New Politics of Science,* 17, 57.

[60]Subcommittees in the Armed Services Committees in the two houses have been established to specialize in defense R&D. Congress can also turn to several omnibus support agencies, notably the Congressional Budget Office and the Office of Technology Assessment, which enjoys burgeoning Congressional confidence and which, while not really a match for the Executive advisory apparatus, has provided valuable analyses and reports on diverse topics ranging from the effects of nuclear war to biotechnology.

[61]Figures calculated from tables in National Science Foundation, *Federal Support to Universities, Colleges, and Selected Nonprofit Institutions,* volumes for FY 1979, 29; FY 1980, 52; FY 1986, 14–15; *Science and Engineering Indicators—1987,* 245.

[62]*Science and Engineering Indicators—1987,* 245.

[63]National Science Foundation, *Budget Summary, Fiscal Year 1990,* 16–17; lecture and discussion by Erich Bloch, director of NSF, California Institute of Technology, 5 December 1989; Joseph Palca, "NIH's Vision Runs into Political Reality," *Science* 255 (31 January 1992): 529–30.

[64]Calculations based on tables in *Science Indicators, 1972,* 126; *Science Indicators, the 1985 Report,* 275; *Science and Engineering Indicators—1987,* 206, 240, 246, 274.

[65]Howard Hughes Medical Institute charter of 1953, in *The Annual Report of the Howard Hughes Medical Institute 1990* (Bethesda, Md.: Howard Hughes Medical Institute, 1991), 1, 5, 61; Howard Hughes Medical Institute, *Annual*

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Scientific Report 1988–1989, ix, 5, 139, 349, 463, 561; Howard Hughes Medical Institute, *Grants Program Policies and Awards 1988–1989* (Bethesda, Md.: Howard Hughes Medical Institute, Office of Grants and Special Programs, 1989), i. Howard Hughes Medical Institute, *The Annual Report of the Howard Hughes Medical Institute 1990,* 37. Author's conversation with the neurobiologist Gerald Rubin, a Hughes investigator at Berkeley, Keystone, Colorado, August 1991.

[66]Conversation with Leroy Hood, 17 August 1991. The NSF Center was established at Caltech. However, it will eventually be relocated to the University of Washington, following Hood, who became professor in the medical school there at the beginning of the 1992–1993 academic year.

[67]APSF *Report for 1985,* 9.

[68]"Sloan Foundation Awards $2.67 Million for Research Fellowships," Foundation news release, 15 April 1991, 1; Albert Rees, "President's Statement," APSF *Report for 1979,* 5.

[69]APSF *Report for 1980,* 14.

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